

CORPORATE SOCIAL RESPONSIBILITY POLICY

OF

NAINI TISSUES LIMITED
(A Naini Group Company)

Version No.	2.0
Authorized by	CSR Committee

PREAMBLE

Our CSR policy is in pursuant to Section 135 of Companies Act, 2013 and the subsequent notification dated 27th February, 2014 by the Ministry of Corporate Affairs. This policy is consciously attuned with our Group's vision and mission statement. Our preferred area of operation for CSR work will mostly be in close proximity of our manufacturing units. However, we would also like to work in any other area or region that may require our CSR support provided that the project is sustainable and falls within the ambit of our CSR policy.

1. Introduction and Background:

Corporate Social Responsibility (CSR) is a way of conducting business, by which corporate entities visibly contribute to the social good. The essence of CSR is to integrate economic, environmental and social objectives with the company's operations and growth. CSR is the process by which an organization thinks about and evolves its relationships with society for the common good and demonstrates its commitment by giving back to the society for the resources it used to flourish by adoption of appropriate business processes and strategies.

Even before Corporate Social Responsibility became obligatory, Naini Tissues Limited was fulfilling the aspiration of the society through voluntary CSR activities within the periphery of the plant and office sites.

2. Objectives of the CSR Policy:

CSR activity not only helps in the socio-economic development of any region, it also helps in creating harmonious relationship amongst all the stakeholders of a company. We pledge to undertake projects or programs falling within the purview of the Schedule VII of Companies' Act, 2013, specifying modalities of execution of such project or programs and

implementation schedule for the same. Some of the long – term objectives of our CSR projects or programs areas given below:

- Social and economic uplifting of underprivileged sections of the society.
- Empowerment of women.
- Increase in literacy rate and development of various skill sets.
- Increased awareness for cleanliness and hygiene.
- Creating awareness for healthy body and mind.
- Awareness for clean & sustainable environment and conservation of resources.

3. Policy Statement:

3.1 CSR Vision Statement & Ideology:

We, at Naini, firmly believe that any business activity has social connotation as well, in the form of employment generation, promotion of allied & non-allied businesses, strengthening of education system, focus on skill development and empowerment of women. Still, there is a need to care for the economically and socially challenged sections of the society. It is the duty of every business entity to contribute in the social uplifting of the region it is operating in. We strongly believe in the concept of “inclusive growth” and Mahatma Gandhi’s theory of “Trusteeship of Wealth” for overall development of our country.

3.2 CSR Thrust Areas:

The CSR activities shall be undertaken by Naini Tissues Limited, as per our stated CSR Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of our normal course of business. We are committed to undertake various CSR projects or programs or activities as per the following framework:

- **HUNGER, POVERTY, MALNUTRITION, HEALTH:** Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.

- **EDUCATION:** Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
- **GENDER EQUALITY AND EMPOWERMENT OF WOMEN:** Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- **ENVIRONMENT SUSTAINABILITY:** Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.
- **NATIONAL HERITAGE, ART AND CULTURE:** 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 and handicrafts.
- **PROMOTION OF SPORTS:** Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports.
- **CONTRIBUTION TO GOVERNMENT RELIEF FUNDS:** Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for the socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
- Measures for the benefit of armed forces veterans, war widows and their dependents.
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
- Rural development projects.
- Slum development.

3.3 Total Outlay:

From April 1st, 2014 in line with the new Companies Act, 2013 (the Act), Naini Tissues Limited pledges to contribute at least 2% of the average net profits of the Company made during the 3 immediate preceding financial years specially towards CSR initiatives. For this purpose, the net profit and average net profit shall be calculated in accordance with the provisions of section 198 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

In case there is any unspent amount from out of the 2% average net profits of the Company made during the 3 immediately preceding financial years, the Board of the Company will decide to carry this forward to next financial year.

3.4 IMPLEMENTATION:

The Board level Corporate Social Responsibility Committee of the Company shall be responsible for monitoring the CSR Policy from time to time. The CSR Committee shall approve and recommend to the Board, the projects or programs to be undertaken, the modalities of execution and implementation schedule from time to time.

3.5 THE COMPOSITION OF THE CSR COMMITTEE:

The CSR Committee of the Company comprises of the following members:

1. Shri Pramod Kumar Agarwal, Executive Chairman
2. Shri Pawan Agarwal, Managing Director
3. Smt. Prachi Agarwal, Executive Director
4. Shri Kamal Agarwal, Independent Director

3.6 RESPONSIBILITIES OF THE COMMITTEE:

The responsibilities of the CSR committee include:

- Formulation and recommending the CSR Policy to the Board of Directors and indicating activities to be undertaken.
- Recommending the amount of expenditure for the CSR activities, and
- Monitoring CSR activities from time to time.

3.7 EXECUTING AGENCIES/ PARTNERS:

CSR initiatives will be implemented either by the Company at its own or through implementing partners which include NGO's having an established track record of at least three years in carrying on the specific activity.

The following minimum criteria will be ensured while selecting NGO's/ voluntary organizations for program execution:

- a) The NGO is a registered society/ Public Charitable Trust/ Sec-25 Not for Profit Organisations/ Company registered under Sec-8 of the Companies Act, 2013 etc.
- b) The NGO has a permanent office/address in India.
- c) The NGO has a valid Income Tax Exemption Certificate, and
- d) The Charter of the NGO must contain Objects and/or CSR thrust Areas mentioned hereabove as one or more in its articles for attainment of which it formed.

4. EFFECTIVE DATE:

This Policy is effected from 01st April, 2016.

5. RESPONSIBILITY STATEMENT:

We, members of the CSR committee of the Company, do hereby jointly state that being a manufacturing Company we are dependent on the farmers and others for our manufacturing activities and therefore, the Company is required to discharge its Corporate Social Responsibility towards the public at large residing around the manufacturing plants of the Company. We hereby state further that the CSR Policy of the Company shall be implemented and monitored in Compliance with the objectives and policy of the Company with regard to its Social responsibilities.

THANK YOU