

*Corporate  
Social  
Responsibility  
Policy*

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# **1 INTRODUCTION**

Haldyn Glass Limited (HGL) (Formerly known as Haldyn Glass Gujarat Limited) incorporated in 1991, promoted by Haldyn Corporation Limited (Formerly known as Haldyn Glass Limited) in the State of Gujarat, India. Haldyn Corporation Limited is a closely held company engaged in the manufacture of Soda Lime Flint & Amber Glass containers since 1964. Mr. N.D.Shetty, Executive Chairman of the company has a very rich experience of over five decades in the manufacturing of exclusive quality glass containers. We create new designs and shapes of bottles to give cutting-edge advantage to the products of our esteemed clients in the Food, Pharmaceutical, Beverages, Liquor and Beer industries. We try to produce most sophisticated and modern designs to suit the quality standard of our clients in short lead times.

HGL a listed company at BSL Ltd. and currently has a total melting capacity 320 tons per day comprising of two Glass Melting Furnaces (220 + 100 tons per day capacity) and 10 I.S. machines which give us leverage over the competition in manufacturing a very wide range of containers from 10 ml to 1000 ml. The I.S. machines are capable of producing 1.5 million high quality containers every day.

Manufacturing of quality glass is ensured by proper glass conditioning with the aid of Automatic Temperature Control System for fore-hearths. Furnaces are built with high quality imported refractories, Electronic Furnace Control equipment including CC cameras imported from Europe which are installed inside the furnaces. I.S. machines are electronically controlled. CAD-CAM facility is used for designing and manufacturing of the moulds. In-house foundry helps in producing quality material for moulds. Containers manufactured by us go through various stages of stringent quality tests including Thermal Shock, Pressure and Stress Tests. Captive Power Generation Plant using clean fuel (natural gas) ensures uninterrupted power supply.

In our bid to satisfy the demanding quality requirements of our global and domestic customers, HGL has successfully implemented the Integrated Quality Management System comprising of ISO 9001:2000 and ISO 14001:2004 enabling consistent quality supplies with environment focus.

Key to our successful manufacturing of quality products depends on state of art production processes and facilities, quality raw materials and the efficient utilisation of available technology. Our modern machines are complemented with highly skilled, motivated and experienced glass technologists, technical personnel and other professionals whose dedicated team work ensures that we produce superior quality bottles making us a leading Flint Glass container-manufacturer in India.

This has encouraged our present Managing Director Mr. T.N.Shetty, to diversify into production of wide-mouthed Jars, through Press & Blow technology. Value-addition is also facilitated through the decoration facilities, consisting of modern multi-colour printing machines, recently commissioned.

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 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 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.

## **2 OBJECTIVE & SCOPE**

The main objective of the CSR Policy is to lay down guidelines for Haldyn Glass Limited (hereinafter referred to as 'the Company') to make CSR as one of the key areas to adhere to Progress strategy that focuses on making a positive contribution to society through high impact, sustainable programmes.

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 strategy that defines plans for future CSR activities.

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

### **2.1 Targeted Sectors**

- 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 forced veterans, war widows and their dependents

- Promotion and development of rural sports and National Games
- Contribution to funds set up 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 / alterations to the above sectors.

## **3 CSR COMMITTEE**

### **3.1 Constitution**

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 Committee shall be appointed by the Board of Directors of the Company which must consist of at least two or more Directors.

### **3.2 Powers of the Committee**

Following are the Powers of the CSR Committee:

- (i). Formulate CSR Policy and recommend the same to the Board of Directors of the Company for approval
- (ii). Recommend CSR activities as stated under Schedule VII of the Act
- (iii). Approve to undertake CSR activities in collaboration with Haldyn Group companies/ other Companies/firms/NGOs etc. and to separately report the same in accordance with the CSR Rules
- (iv). Recommend the CSR Budget
- (v). 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
- (vi). Create transparent monitoring mechanism for implementation of CSR Initiatives in India
- (vii). Submit the Reports to the Board in respect of the CSR activities undertaken by the Company
- (viii). Monitor CSR Policy from time to time
- (ix). Monitor activities/charter of Joint Working Group (JWG) which is authorized to ensure that the CSR activities of the Company are implemented effectively
- (x). Authorize executives of the Company to attend the CSR Committee Meetings

### **3.3 Frequency of the Meetings of the CSR Committee**

The CSR Committee shall meet at least once in a quarter. Members of the CSR Committee can agree upon mutually regarding time and place for the said meetings. Quorum for the meeting should be two. The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means in accordance with the provisions of the Act and rules made thereunder from time to time. Other Members of the Senior Management may attend the CSR Committee Meetings as may be appropriate, subject to the approval of the CSR Committee. Minutes of the CSR Committee shall be placed before the Board for noting.

## **4 CSR BUDGET/CSR SPEND**

The Act mandates companies meeting the qualification criteria to allocate 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 purview of Schedule VII of the Act.

### **4.1 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 programmes 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.

### **4.2 Expenditure on CSR capabilities**

The Company may build CSR capabilities of their own personnel as well as of their Implementing Agencies and such expenditure shall not exceed 5% of the total CSR spend of the Company as stated in the Rules from time to time. Determination of whether a particular expense falls within this 5% cap can be decided in consultation of the Chief Financial Officer of the Company based on the clarification available from time to time in this regard.

### **4.3 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.



## **5 CSR INITIATIVES**

In line with Schedule VII of the Act and the CSR Rules, the Company shall undertake CSR activities included in its Annual CSR Plan, as recommended by the CSR Committee at the beginning of each year. The Committee is authorized to approve any modification to the existing Annual CSR Plan or to propose any new programme during the financial year under review.

### **5.1 Annual CSR Plan**

The Annual CSR Plan is a yearly plan of CSR activities that would be placed before the Board of Directors of the Company based on the recommendations of its CSR Committee which outlines the following aspects of CSR initiatives of the Company:

- Tailor-made CSR projects depending upon allocated spend and geographical presence
- Partnering agencies/companies/firms
- Process Owners
- Project Proposals
- Targeted Beneficiaries & their key needs
- Alignment with Schedule VII
- Project Goals and milestones
- Activities and Timelines including expected closure dates
- CSR Budget with projections
- Monitoring mechanism
- Progress reporting and frequency of reports
- Risks and mitigation strategies
- Any other information as may be required by the CSR Committee

### **5.2 Collaboration**

The Company may collaborate with other Haldyn Affiliates or its subsidiaries or any other Company as may be approved by CSR Committee to implement CSR activities and the same shall form a part of the Annual CSR Plan. The Company may form trusts on its own to carry out CSR activities in accordance with the CSR Rules and to administer its CSR activities. The Company may also collaborate its CSR activities with other Haldyn Affiliates or its subsidiaries or any other Company as may be eligible and approved by the CSR Committee and the Board of Directors and towards this effort, the Company may jointly along with other Haldyn Affiliates or its subsidiaries or any other Company form Trusts to administer the CSR activities.



## **6 PUBLICATION OF CSR POLICY & PROGRAMMES**

As per the CSR Rules, the contents of the CSR Policy shall be included in the Directors' Report and the same shall be displayed on the Company's website, if any.

## **7 POLICY REVIEW & FUTURE AMENDMENT**

The Committee shall annually review its CSR Policy from time to time and make suitable changes as may be required and submit the same for the approval of the Board.