

**SONY PICTURES NETWORKS DISTRIBUTION INDIA PVT. LTD.**  
**(Formerly known MSM Media Distribution Pvt. Ltd.)**

**CORPORATE SOCIAL RESPONSIBILITY POLICY**

05 October, 2017

The Corporate Social Responsibility (“**CSR**”) initiative at Sony Pictures Networks Distribution India Private Limited (hereinafter referred to as the “**Company**”/ “**SPND**”) draws on our philosophy that as a responsible organization we will contribute to the greater common good of our community and society and help build a sustainable way of life for marginalized sections of society.

## **1. Vision**

Our Vision is – ‘To be conscientious in all our actions and create positive change in the society we live in’

This statement gives a sense of purpose to all our endeavors.

## **2. CSR Activities**

With this vision in mind, the Company proposes to carry out one or more of the following Corporate Social Responsibility activities (“**CSR Activities**”/ “**CSR Projects**”):

- (i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swachh Bharat Kosh set up by the central government for the promotion of sanitation and making available safe drinking water;
- (ii) Promoting education, including special education and employment enhancing vocational skills especially among children, women and the differently abled including livelihood enhancement projects;
- (iii) Promoting gender equality and thus empowering women;
- (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna and animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga;
- (v) Training to promote rural sports, nationally recognized sports, Paralympic sports as well as Olympic sports;
- (vi) Contributions to the Prime Minister's National Relief Fund or any other fund set up by the Central Government as part of a project approved by CSRC for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (vii) Protection of national heritage and promotion of arts and culture; and
- (viii) Rural development projects.

### 3. Modalities of Execution of CSR Activities

Our CSR Activities will be carried out in one or more of following modalities:

- a) Company directly;
- b) Company through a trust/ society/Section 8 company in India established by SPND in accordance with the Corporate Social Responsibility Rules, 2013 (the “**Rules**”) to the Companies Act, 2013 (the “**Act**”)
- c) Company through a trust/society /Section 8 company which has a proven track record of three (3) years.
- d) Company in collaboration with other like-minded companies either directly or through trust/society /Section 8 company operating in India;

The entities other than the Company as specified above in b, c, and d shall be hereinafter referred to as “Partner Organization”

The Company believes in being employee-driven in its approach and will encourage its employees to actively engage in CSR Activities voluntarily as part of their individual contribution to the community (“**Volunteers**”).

### 4. CSR Committee

4.1 In accordance with section 135 of the Act and the Rules, the Company has constituted a CSR Committee (“**CSRC**”) comprising of following directors:

- N.P. Singh
- Ashok Nambissan

Mr. Rajesh Kaul, President of the Company have been named as Permanent Invitee to the CSRC.

4.2 The CSR Activities will be carried out under overall direction and supervision of CSRC.

4.3 CSRC will recommend the amount to be spent on CSR Activities on a financial year basis

### 5 Implementation and Monitoring

5.1 All CSR Activities will be selected and implemented based on the 4 step process of:

- Identification
- Planning
- Execution
- Monitoring

If the Company decides the planning and/or implementation of CSR Activities in any financial year with collaboration of Partner Organizations as specified in aforesaid Section 3, then the Company will select its Partner Organizations in accordance with the guidelines as given in **Annexure A** to this policy. The planning and execution of the CSR Activities will be done in a time bound manner.

**5.2** The following administrative mechanism for implementation of CSR Activities has been designed:

- (a) Mr. N.P Singh may be appointed as the CSR head ("**CSR Head**") to spearhead the CSR Activities of the Company who will report to the CSRC;
- (b) The CSR Head will select the appropriate organizations/entities as specified in Section 3 in accordance with criteria as stated in Annexure A;
- (c) Sufficient manpower and other resources will be made available to the CSR Head for carrying out the CSR Activities;
- (d) The CSR Head will provide reports in the statutory format as required under the Act and the Rules.
- (e) In addition, the CSR Head will also be responsible for the following:
  - (i) To monitor the implementation of CSR Activities on a regular basis;
  - (ii) To prescribe/provide timelines for execution of CSR Activities;
  - (iii) To examine that CSR Activities are in line with the CSR policy laid down by the Company;
  - (iv) Submitting periodic reports to the CSRC, if required.

## **6 Reporting and Reviewing Mechanism**

All projects will be assessed against their pre-defined goals, objectives and indicators of success.

The reporting will be in manner specified herein below: -

### **Reporting**

- An annual report of the CSR Activities in the format as specified in **Annexure B** of this policy will form part of the Report of the Board of Directors

## **MISCELLANEOUS**

### **7 Information Dissemination**

All initiatives undertaken by the Company will be transparent and shall be shared with its various stakeholders.

### **8 Surplus from CSR Activities**

Any surplus arising out of the CSR Activities shall not form part of the business profit of the company and will be used only for CSR activities.

## **9 Management Commitment**

The Management of the Company is committed to being socially responsible and bringing a positive change in the community in which we operate.

## **Annexure A**

### Framework for selecting Partner Organizations

A seven-point selection criterion is to be used for selecting a Partner Organization.

#### **1. Work of the Organization**

Before delving into detailed project planning with a prospective partner, SPND must conduct proper research on the domain that it operates in. This primary research must include:

- Year of establishment
- Domains of work
- Beneficiaries
- Past and current projects
- Geographic Reach
- Members of governing body and its head
- Flow of finances

#### **2. Registration details**

The Partner Organization should be legally registered under or as one of the following:

- (i) Societies Registration Act of 1860;
- (ii) Public Trusts registered under the Indian Trust Act 1882;
- (iii) Licensed company under Section 25 of the Companies Act 1956 or Section 8 of the Companies Act, 2013;
- (iv) The NGO/organization should be registered for a period of minimum three (3) years;
- (v) Registration under Foreign Contribution (Regulation) Act, 1976; and other applicable laws including laws relating to taxation.

#### **3. Infrastructure**

The basic infrastructure of the Partner Organization should be in place and in a functional condition. This includes offices and centers (owned or rented), office equipment, etc. This check is fundamental to ensure that there is more to the Partner Organization than just a website. This necessitates a visit by SPND CSR Head and/or Volunteers to the premises of the concerned Partner Organization.

#### **4. Stable Organizational Structure**

To ensure better accountability, the organization should have a clearly defined staff structure including number, names, roles and responsibilities of the staff etc. involved in the project, Partner Organization's capacities, staff experience and expertise in the context of the proposed project and otherwise, geographical area covered by the organization, other projects undertaken by the Partner Organization.

#### **5. Other Supporters**

The Partner Organization must furnish information about its promoters and other stakeholders.

#### **6. Credibility of the Organization**

The credibility of the NGO must be gauged on the basis of its prior experience in the proposed domain of work. SPND must look at the track record of the organization and the impact it has hitherto created. A robust financial management system with transparent and regular updating is an important factor. SPND will not associate with any organization which:

(i) Has pending legal disputes and or enquiries in connection with offences like cheating, misappropriation of funds, exploitation of beneficiaries, etc.

(ii) Is blacklisted by any government agency.

A self-declaration w.r.t. (i) & (ii) is required to be submitted by the organization with other necessary documents at the time of finalizing the project.

#### **7. Fit with SPND**

The most important criterion for the selection of a Partner Organization is how well it fits with SPND's CSR philosophy.

## Annexure B

### Format for the Quarterly/Annual Report on CSR Activities to be included in the Board's Annual Report

- 1) A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs
- 2) The Composition of the CSR Committee
- 3) Average net profit of the company for last three financial years
- 4) Prescribed CSR Expenditure (2% of the amount as in item 3 above)
- 5) Details of CSR spent during the financial year
  - a. Total amount to be spent for the financial year
  - b. Amount unspent, if any
  - c. Manner in which the amount spent during the financial year as detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project	Sector under which the project is covered	Projects 1) Local area or other  2) Specify the state and district where Project was undertaken	Amount Outlay (Budget)	Amount spent on the project  Sub heads: 1) Direct Expenditure 2) Overheads	Cumulative expenditure (up to the reporting period)	Amount spent:  Direct or through implementing agency  (Details of implementing agency should be given)
1							
2							
3							
	<b>TOTAL</b>						



- 6) In case the Company has failed to spend the two (2%) per cent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report
- 7) A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.

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