

1. **OBJECTIVE OF CSR:**

CSR is a process with the aim to embrace responsibility for the company's actions and encourage a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere who are also considered as stakeholders.

This Policy shall framed be and implemented by the Corporate Social Responsibility Committee, subject to approval by the Board with an objective is to endeavor to reduce our impact on the environment through a commitment to continual improvement; and pay back to the society.

2. **VISION OF THE COMPANY**

We will take steps to understand how we can most effectively support the needs of the local community and implement initiatives accordingly.

- We recognise that we must integrate our business values and operations to meet the expectations of our stakeholders. They include customers, employees, investors, suppliers, the community and the environment.
- We recognise that our social, economic and environmental responsibilities to these stakeholders are integral to our business. We aim to demonstrate these responsibilities through our actions and within our corporate policies.
- We take seriously all feedback that we receive from our stakeholders and, where possible, maintain open dialogue to ensure that we fulfil the requirements outlined within this policy.
- We shall be open and honest in communicating our strategies, targets, performance and governance to our stakeholders in our continual commitment to sustainable development.
- The Corporate Social Responsibility Committee is responsible for the implementation of this policy and will make the necessary resources available to realise our corporate responsibilities. The responsibility for our performance on this policy rests with all employees throughout the company.

3. **MISSION OF THE COMPANY:**

Broad Guidelines of the Company to integrate the shareholders expectation to core activities and translate them into business opportunities possible.

- We shall ensure a high level of business performance while minimising and effectively managing risk ensuring that we uphold the values of honesty, partnership and fairness in our relationships with all our stakeholders
- Our contracts will clearly set out the agreed terms, conditions and the basis of our relationship and will operate in a way that safeguards against unfair business practices
- We shall encourage suppliers and contractors to adopt responsible business policies and practices
- We shall encourage dialogue with local communities for mutual benefit
- We will register and resolve customer complaints in accordance with our standards of service .
- We shall support and encourage our employees to help local community organisations and activities in our region.
- We shall operate an equal opportunities policy for all present and potential future employees and will offer our employees clear and fair terms of employment and provide resources to enable their continual development
- We shall maintain a clear and fair employee remuneration policy.

- We shall provide safeguards to ensure that all employees of whatever nationality, colour, race or religious belief are treated with respect and without sexual, physical or mental harassment
- We shall provide, and strive to maintain, a clean, healthy and safe working environment of work
- We shall develop Environmental policies and objectives as part of the business planning cycle.
- We shall build a corporate culture of "doing the right thing" to offset the risks.

4. ACTIVITIES THAT CAN BE PURSUED BY THE COMPANY AS MENTIONED UNDER SCHEDULE VII OF THE COMPANIES ACT, 2013:

Schedule VII of the Companies Act, 2013 enumerates following areas, out of which a company may adopt it as CSR activity:

- (i) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- (iii) 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;
- (iv) 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;
- (v) 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;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents;
- (vii) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- (viii) contribution to the Prime Minister's 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;
- (ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
- (x) rural development projects;
- (xi) as specified by the Ministry of Corporate Affairs from time to time.

5. **IDENTIFICATION OF CSR PROJECTS:**

CSR commitments communicate the nature and direction of the company's social and environmental activities, and consequently help others to recognise the Company as their own part. Hence, the CSR Committee shall undertake following activities for identifying a CSR project:

- i. To add discussion and analysis of new set of risks into corporate decision-making.
- ii. To represent issues within the corporation that watchdogs, NGOs and advocates represent within the society.
- iii. To assess the organisation's long-term and short-term needs.
- iv. To help prioritize consideration of socially and environmentally friendly projects that might otherwise lack a corporate advocate.
- v. To keep organisation aware of major societal impacts even when a negative impact may not be immediate, and thus lessen liability.
- vi. To positively influence decision making where societal impacts are maximised, whilst ensuring efforts are within a given budget.

6. **LIST OF CSR PROJECTS TO BE UNDERTAKEN IN LINE WITH THOSE MENTIONED IN SCHEDULE VII OF THE COMPANIES ACT, 2013:**

CSR Committee shall identify the CSR projects, location of the project, budget and implement the project from time to time in line with the requirement of the Act.

Note:

The company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities

The amount allocated for the CSR projects, in every financial year, shall be at least two per cent of the average net profits of the company made during the three immediately preceding Financial years.

Explanation.— For the purposes of this section “average net profit” shall be calculated in accordance with the provisions of section 198.

7. **EXECUTION OF THE CSR PROJECTS:**

The CSR Committee shall develop an Engagement Plan covering following aspects for successful implementation of identified CSR project:

1. To perform a scan of CSR commitments.
2. To hold discussions with major stakeholders.
3. To create a working group to develop the commitments.
4. To prepare a preliminary draft
5. To consult affected stakeholders
6. To revise and publish commitments
7. To consider what is feasible within the budget.

8. **CAPACITY BUILDING:**

The Company acknowledges that capacity building involves motivation and encouragement from all stakeholders and their respective institutions to imbibe the core principles of sustainability and this can be achieved only by providing orientation programmes, conducting periodic training, workshops in the diverse realms of sustainability. The trainings are done to widely disseminate the principles of CSR Sustainability but also to encourage the representations from diverse multi stakeholders to implement and practice responsible policies and procedures within their respective organizations.

9. DETERMINATION OF ALLOCABLE AMOUNT

The allocable amount for conducting CSR activities shall be computed in accordance with the provisions of Section 135 of the Companies Act, 2013.

10. DETAILS OF SPENDING

At the end of every financial year during which the CSR activity(ies) was undertaken, the CSR Committee shall report to the Board regarding details of allocated amount spent in accordance with the provisions of Section 135 of the Companies Act, 2013.

Sr. No.	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or Programs		Amount Budget Project wise	Actual Amount Spent		Cumulative Expenditure up to the Reporting period	Amount Spent; Direct or through Implementing Agency *
			Local area or other	State & District		Direct	Overheads		
1									
2									
	TOTAL								

* Details of Implementing Agency

Note: The Surplus arising out of the aforesaid Projects at the end of the financial year shall not form part of the business profits of the Company.

11. PROGRESS MONITORING:

- a. The CSR Committee shall delegate the responsibility of monitoring to a person as authorised by it whether the policy as laid down is achieved as per the estimates, and it shall periodically supervise progress of the projects by obtaining progress report from such authorised person.
- b. Responsibility statement of CSR Committee that implementation and monitoring is in compliance with objectives and policy.

12. REPORTING:

As in compliance with the requirements of the Act, the Board shall act on the principle of COREX i.e. comply or explain. Thus it is duty of the Board to ensure that compliance as per the policy has been made.

Further, the Company shall disclose by way of notes to Statement of Profit & Loss, the amount of expenditure incurred on corporate social responsibility activities.

13. DISCLOSURE

The CSR policy of the Company shall be disclosed in the Company's Annual Report and displayed on the Company's website: www.hle-glascoat.com

14. AMENDMENT

The Corporate Social Responsibility Committee reserves its right to amend or modify this Policy in whole or in part, subject to approval by the Board, at any time consequent upon any amendment to applicable laws of land.

For & on behalf of the Board of

HLE Glascoat Limited

Sd/-

Mr. Himanshu Patel

Chairperson

For & on behalf of the Board of

HLE Glascoat Limited

Sd/-

Mr. Sandeep Randery

**Chairperson- Corporate Social
Responsibility Committee**