

CORPORATE SOCIAL RESPONSIBILITY POLICY

Background:

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company is, *inter alia*, required to:

- (i) Constitute a Board Committee to formulate and recommend to the Board a Corporate Social Responsibility (CSR) Policy, recommend the amount of CSR expenditure and monitor the CSR activities of the Company from time to time.
- (ii) Ensure that the Company spends, in every financial year, at least two per cent of the average Net Profits Before Tax (PBT) of the Company, made during the three immediately preceding financial years, in pursuance of its CSR Policy.

Philosophy:

Corporate Social Responsibility (CSR) is a public spirited cause that has been well introduced by the Companies Act 2013. Through the CSR there is a formation of a dynamic relationship between a company on one hand and the society and environment on the other. CSR is traditionally driven by a moral obligation and philanthropic spirit.

The main responsibilities of the Company towards society at large are to eradicate hunger, poverty and malnutrition; promote education, promote preventive health care and sanitation and making available safe drinking water, promoting gender equality and empowering women.

Our Vision:

1. The Company completely endorses reliability. It is committed to conduct business in a true, fair and ethical manner and takes up the responsibility to create a good impact in the society it belongs. Through our Corporate Responsibility efforts, we aim to bring change that better the quality of people's lives. We seek to undertake positive interventions that will have a measurable, long-term impact on the communities of which we are a part.
2. The Company is committed towards improving the quality of lives of people in the communities in which it operates because the society is an essential stakeholder and the purpose of its existence. The Company believes that giving back to the society through CSR activities is its duty.
3. The Company aims to fulfil the requirements laid down under the Companies Act 2013 and act diligently to comply with all its Rules and Regulations on CSR.

Objectives:

Our CSR program is aimed at:

- Supporting the needs of marginalized sections of the society
- Improving quality of life of people and supporting the development of the communities where we are present
- Creating social value for the organization through sustainable development
- Creating pride of association for our stakeholders
- Building social consciousness among employees by engaging them in volunteering efforts

CSR Philosophy – “Colours of Change”:

All CSR interventions will be undertaken under the program “Colours of Change”, depicting the positive transformation of Shalimar Paints and its impact on the society.



CSR Focus Areas:

The Company shall focus the CSR activities around following thrust areas:

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.
2. Vocational Training programmes to enhance the employability skills of the beneficiaries.
3. Promoting education, including special education and employment, especially among children, women, elderly and the differently-abled and livelihood enhancement projects.
4. Promoting gender equality, empowering women, 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.
5. Training to promote rural sports, nationally recognized sports, Para-Olympic sports and Olympic sports.

6. Contribution to the Prime Minister's National Relief Fund.
7. Rural Development Projects.

Project Identification and Implementation:

1. The CSR Committee of the Company will be responsible for identification of projects, setting project milestones and overseeing implementation of activities by recognized not-for-profit partners.
2. Feedback and project progress reports will be submitted to the Board on a quarterly basis.
3. Employee participation and volunteering activities to be undertaken every quarter.

CSR Commitment:

Our Board of Directors, management team and each and every employee of Shalimar Paints will subscribe to the philosophy of "Colours of Change" and participate in the Company's social responsibility efforts.