

Corporate Social Responsibility Policy of KLRF Limited

Introduction

Through KLRF Limited long standing commitment to service the society, KLRF will strive to attain leadership in business through a socially and environmentally responsible way, while taking care of the interests of the stakeholders.

KLRF will work with the primary objective of contributing to sustainable development of the society and creating a greener and cleaner environment-

Objective

The main objective of KLRF's CSR policy is to lay down guidelines for the community centric activities taken up by KLRF for the sustainable development of the society and the environment around it.

In alignment with vision of the company, KLRF, through its CSR initiatives, will strive to enhance value to the society and the environment through continuous initiatives.

KLRF will directly or indirectly take up projects in and around its operational locations in keeping with the laid out guidelines.

Focus Areas

The CSR activities of KLRF will focus on enhancing the quality of life of all aspects of the society - health, hygiene, education, environment, etc. These activities will be relevant to the activities listed under Schedule VII of the Companies Act, 2013 which specifies the scope of CSR activities to be undertaken by Companies.

The areas of focus are:

- a) Promoting education in areas which otherwise do not have access to the same.
- b) Facilitating safe drinking water facility in water stressed areas.
- c) Providing health care in the rural and inaccessible segment of the society.
- d) 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.
- e) Arranging socio-economic development programs through vocational training and student empowerment programs.
- f) Conducting rural development programs.
- g) Providing financial assistance like grants/donations/sponsorship to reputed NGOs and well established trusts which are involved in the upliftment of society.
- h) Empowering women for education, health and self employment.
- i) Arranging relief activities for victims of natural calamities in any part of the country.
- j) Contributing both financially and by other means to the Prime Minister's National Relief fund and also towards the benefit of the Armed Forces.

Budgeting

For achieving the CSR objectives through the implementation of meaningful & sustainable CSR activities, KLRF will allocate an amount which is not less than 2 % of the average net profits of the immediately preceding 3 financial years. However in any financial year, if for any reason, the company is unable to spend an amount as stated above, the company shall provide suitable explanation stating the reasons thereof to the Board of Directors and the Board shall include the same in the Directors' Report of the Company.

Project Identification

- a) KLRF may identify the aforesaid activities through market studies conducted or based on proposals or requests received from voluntary organizations, Government bodies etc.
- b) Each CSR activity identified will be treated as a project and each project shall have a time frame defined for execution and completion.
- c) Each identified project along with a budget will be presented to the CSR committee of the Board of Directors for their approval.
- d) In certain cases where requirements arise out of unexpected occurrences like natural calamities, the Managing Director or the Executive Director and Chief Financial Officer of the Company is authorised to approve the proposals. The same may be ratified in the ensuing CSR committee meeting.

Implementation of CSR activities

The Company may undertake the CSR activities directly on its own or by contributing to external agencies like an established registered charitable trust or partly on its own and partly through such trusts as may be recommended by the CSR Committee and approved by the Board.

Where contributions are made to an external Trust, the company shall obtain a Fund Utilization Certificate duly certified by an auditor and shall be submitted to the CSR Committee.

Monitoring

To ensure effective implementation of the CSR programmes undertaken, a monitoring mechanism shall be in place.

Progress of the CSR activities under implementation shall be reported to the CSR committee on a quarterly basis

The Company shall also try to obtain feedback from the beneficiaries of each program and present it to the CSR committee

Appropriate documentation of the CSR Policy, annual CSR activities, CSR budget, details of the executing persons, and the expenditure entailed will be reviewed on a regular basis.

The CSR committee shall initiate steps to check whether the activities are progressing as per the guidelines of the CSR policy and statutory requirements and shall initiate corrective actions if there are any deviations.

The CSR activities will be published in the Annual Reports and Accounts of KLRF Limited under the heading Social Overheads (CSR)

General

Any or all provisions of the CSR Policy would be subject to revision / amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time.

The Company reserves the right to modify, cancel, add, or amend any of these rules.

Date of Recommendation by CSR Committee to the Board : 28th July, 2016