

Kerala Communicators Cable Limited

Corporate Social Responsibility Policy

PREAMBLE

Corporate Social Responsibility (CSR) is a self-regulating business model that helps a company to be socially accountable- to itself, to its stakeholders and the whole public. It is proud that India is the first country to legally mandate corporate social responsibility. In this regard, KCCL is whole heartedly supports the initiative of the Union Government of India to create a legal process under the companies Act, 2013 for facilitating the companies to undertake CSR programs in a structured manner.

As a responsible corporate citizen KCCL has a vital role to play in sustainable and inclusive growth of our nation. We are committed to further environmental sustainability, socio-economic empowerment of underprivileged communities, social development and equity through gender empowerment. Our CSR policy framework is developed to assist the Company in undertaking well-planned initiatives that are participatory, outcome-oriented and measurable, with the overall objective of creating sustainable impact.

VISION AND OBJECTIVE OF CSR POLICY

- ❖ **Vision:** To actively contribute to the community in which we operate and provides high quality solutions to the issues impacting their lives, which results in the overall development of the society.
- ❖ **Objectives:** This CSR policy set out our commitment to ensuring that our activities extend beyond business and include initiatives and endeavours for the benefit and development of the society and the whole nation. This CSR policy lays down the guidelines for undertaking programmes geared towards social welfare activities or initiatives. This CSR policy has been framed in accordance with the applicable provisions and amendment made of the Companies Act, 2013 and the rules issued thereunder.

CSR GOVERNANCE STRUCTURE

KCCL undertakes its CSR activities, which are approved by the CSR committee and board of directors directly by the company.

CONSTITUTION AND FUNCTIONS OF CSR COMMITTEE

In terms of section 135 of the Companies Act, 2013 and the Rules made thereunder, board of directors of the company has constituted a CSR committee. The CSR committee shall consist of at least three directors of the company having at least one independent director. The number of members of the CSR committee and their powers and functions can be specified, varied, altered or modified from time to time by the Board, subject to the provisions of the applicable law.

All questions of interpretation or discrepancies which shall arise under, or as a result of, or pursuant to, or in connection with the implementation of the CSR policy or any initiative or activities undertaken by the company in terms of the CSR policy, shall be referred to the CSR committee for their inputs and the final decision or interpretation shall rest with the board. No member of the CSR Committee shall be personally liable for any decision or action taken in good faith with respect to the CSR policy

The CSR Committee to, inter alia, carry out the following functions;

- a) To formulate and recommend to the Board, a Corporate Social Responsibility policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder.
- b) To recommend the amount of expenditure to be incurred on the CSR activities.
- c) To monitor the implementation of framework of CSR policy.
- d) To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable, necessary or appropriate for performance of its duties.
- e) The CSR committee shall hold meetings which shall be attended by minimum of two members of the committee. The meetings shall be held at the registered office or at any other place as may be agreed by the members of the committee.

CSR FOCUS AREA

The company will undertake CSR projects, activities and programs pursuant to the schedule VII of the companies Act, 2013 and the provisions and rules provided in the Act and the rules from time to time.

The Company's CSR will focus on the following thrust areas:

1. Education
2. Employability
3. Empowerment
4. Environmental sustainability
5. Health and hygiene
6. Animal welfare

JURISDICTION OF ITS OPERATION

The company will support initiatives in geographies as approved by the CSR committee of the Board, from time to time with priority being given to the geographies in which the company operates.

APPROVED CSR ACTIVITIES

1. The board shall ensure that the CSR activities that are undertaken by the company should be within the scope of the following activities.
 - a) Financial support to the dependents of any deceased earning member in a family, to provide support for the education of children of such deceased person, measures for the benefit of widows and their dependents, to provide training and other skill development activities, to promote education, including special education to the specially abled children and employment enhancing vocation skills especially among children and women, to provide emergency medical care, preventive health care, sanitization and safe drinking water, to provide need-based quality infrastructure to improve quality of life
 - b) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
 - c) 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 back ward groups;

- 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) 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;
- f) Rural development projects;
- g) Such other activities as may be specified under the Act or the CSR Rules from time to time.

2. The board shall ensure that appropriate designated staff or personnel provide adequate assistance (like data collection, survey, quotations and costs involved etc) to the CSR committee to enable it to make necessary recommendations to the Board. For this purpose, the CSR committee may also approach external consultants for necessary assistance as it may deem fit at such costs as may be approved by the Board.

3. The following details of any CSR activities to be undertaken by the company shall be presented to the Board by the CSR committee along with its recommendations:

- a) the objectives and expected results of the CSR activity
- b) the relevant sector and the nature of the CSR activity
- c) the focus area/ location for implementation of the CSR activity
- d) the amount to be allocated towards the CSR activity
- e) the indicative timelines for completion of the CSR activity
- f) whether the CSR activity should be undertaken by the implementation group or any implementing agency or in collaboration with any other company and
- g) Such other details as it may deem necessary.

4. Based on the recommendations of the CSR committee, the board shall approve the following:

- a) The specific CSR activities that should be undertaken by the company from time to time
- b) The amount that should be deployed towards such CSR activity

BUDGET AND EXPENDITURE

1. The Board of Company shall ensure that in each financial year, the Company spends at least 2% of the average net profit made during the three immediately preceding financial years.

Explanation: For the aforesaid purpose, Net Profit shall be calculated in accordance with the provisions of Section 198 of the Act.

2. In case of any Surplus arising out of CSR projects the same shall not form part of the business profits of the Company and shall be ploughed back into:
 - a) the same project or
 - b) shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or
 - c) transfer such surplus amount to a Fund specified in Schedule VII within a period of six months of the expiry of the financial year.
3. Where the Company spends an amount in excess of requirement provided under Section 135(5), such excess amount may be set off against the requirement to spend under Section 135(5) up to immediately succeeding three financial years subject to the conditions that:
 - a) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance of sub-rule (2) of the Rules.
 - b) the Board of the company shall pass a resolution to that effect.
4. Unspent amount, if any, for the financial year, unless it is earmarked for an Ongoing Project as approved by the Board, shall be transferred to the respective fund as stipulated in the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, from time to time, within 6 months from the end of the financial year.
5. Unspent amount pertaining to an Ongoing Project, shall be transferred to a dedicated bank account for this purpose within 30 days from the end of financial year and spent within a period of three years thereon. Any residual unspent amount in such account shall be transferred to National Unspent CSR fund, to be set up by Central Government

IMPLEMENTATION AND MONITORING

After prioritizing the activity, the Committee shall finalise the detail implementation project/programme, including planning for expenses against the total budget allocated for CSR activities.

The Board of Directors shall constantly monitor the implementation of the CSR activities. The CSR committee shall place a progress report, including details of expenses, before the board on quarterly basis. The board shall review the same and suggest recommendation, if any, to the committee with regard to implementation process.

REPORTING AND RECORD KEEPING

- 1) Minutes of all the meetings of the CSR committee shall maintain properly and regularly.
- 2) It is mandatory to include the annual report on CSR activities in the company's board report.
- 3) The board will be responsible to ensure that:
 - i. The report of the board includes the annual report on CSR activities of the company and sets out the requisite information in terms of the Act and the Rules;
 - ii. The contents of the latest and updated version of the CSR policy is included in the report of the board;
 - iii. The contents of such policy are also made available on the website (if any) of the company as per the specification given by the government of India from time to time
 - iv. In case of failure to ensure the minimum CSR expenditure, detailed reasons for the same should adequately disclosed in the board report.

AMENDMENT

The Board of the Company may, subject to compliance with applicable law, at any time alter, amend or modify the CSR Policy as it deems fit to comply with the statutory obligation of the Company to undertake the CSR Activities.
