

# CSR POLICY



**V. K. INDUSTRIAL**  
CORPORATION LIMITED

## **Introduction**

At V. K. INDUSTRIAL CORPORATION LIMITED., the Corporate Social Responsibility (CSR) has been an integral part of the way we have been doing our business since inception. For more than 3 years, the Company's CSR initiatives has played pivotal role in improving the lives of the communities and society at large and in & around our operations with an objective to energize, involve and enable them to realise their potential. This has also enabled us to fulfil our commitment to be a socially responsible corporate citizen.

## **I. Objective**

The main objective of V. K. INDUSTRIAL CORPORATION's CSR policy is

- To lay down guidelines to make CSR a key business process for sustainable development of the society.
- To directly/indirectly undertake projects/programs which will enhance the quality of life and economic well-being of the communities in and around our plant and society at large.
- To generate goodwill and recognition among all stake holders of the company.

## **II. OUR RESPONSIBILITIES**

### **A) Towards our communities**

We will involve communities surrounding our operations to bring about a positive change in their lives through holistic, sustainable and integrated development.

### **B) Towards our Customers**

We will build gainful partnerships with the customers to understand their needs and provide right product and service solutions. We will adopt and actively encourage the best and fair business practices and shall endeavour to build solid bonds with them.

### **C) Towards our Business Partners**

We will support our suppliers to cultivate ethical and fair business practices and give preference over other to those who demonstrate this.

### **D) As a Corporate Citizen**

We reaffirm our commitment to conduct our business with environmental accountability. We will endeavour to adopt environment-friendly

technologies and energy efficiency in our operations while continuously monitoring and reducing emissions.

**E) Responsibilities toward our Employees**

We will foster a work culture with high ethical principles and standards and encourage our employees to perform with total integrity, commitment and ownership. We will do all we can to support their professional growth and recognise high achievers.

We will continue to raise the bar of our OH&S standards and guidelines. We recognise that our employees and contractors deserve to work in safe and healthy work environment and will make it our responsibility to ensure zero harm to people.

**III. CSR mainstay**

CSR activities at V. K. INDUSTRIAL CORPORATION shall be carried out through :

1. Direct Activity for needy persons
2. Collaboration with other Companies undertaking projects/programs in CSR activities.
3. Contribution / donation made to such other Organization / Institutions as may be permitted under the applicable laws from time to time.
4. Directly by the Company for fulfilling its responsibilities towards various stakeholders.
5. Any other eligible trust

**IV. CSR Activities:-**

The scope of the CSR activities of the Company will cover the following areas but not limited to the same and may extend to other specific projects/ programs as permitted under the law from time to time.

Sr. No.	Area	Activities/Initiatives/Programs
	Eradicating hunger, poverty and malnutrition	Agro Based livelihoods, Better Cotton Initiatives, Agriculture Development, Krishi Vigyan Kendra
	Promoting health care including preventive and healthcare and sanitation	Health and Sanitation Development programs, medical camps, programs for HIV Aids etc.

	Providing safe drinking water	Drinking water programs, construction of check dams, dykes, ponds, links, channels, wells and water storage tanks.
	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Construction and running of schools and libraries, vocational training and special education institutes, providing financial assistance and scholarships for higher education. Undertaking and skills and entrepreneurship programs
	Women Empowerment and Facilities for Senior Citizens	Setting up centres and institutions for women & senior citizenship. Promoting SHGs amongst women for undertaking income generating activities.
	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;	Horticulture plantation, agro farm forestry, afforestation, projects on non-conventional energy (biogas), animal husbandry programs, forest conservation projects, water resource management and soil conservation, promoting micro-irrigation etc.
	Promotion and protection of art & culture	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;
	Measures for the benefit of armed forces veterans, war widows and their dependents	Activities/programs for benefit of armed forces and families
	Training to promote rural sports, nationally recognised sports,	Projects/programs promoting various sports activities

	paralympic sports and Olympic sports;	
	Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;	Projects/programs for the development and upgrading of technology
	Contribution/Financial Assistance	Contribution to 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
	Rural development projects	Rural infrastructure projects and agriculture development programs and projects

#### **V. Exclusion from CSR**

The following activity shall not form part of the CSR activities of the Company:-

1. The activities undertaken in pursuance of normal course of business of a company.
2. CSR projects/programs or activities that benefit only the employees of the Company and their families.
3. Any contribution directly/indirectly to political party or any funds directed towards political parties or political causes.
4. Any CSR projects/programs or activities undertaken outside India.

#### **VI. CSR Committee**

CSR Committee shall be formed as per the applicable laws and the committee shall be responsible for the implementation/monitoring and review of this policy and various projects/activities undertaken under the policy. The CSR Committee shall submit periodical reports to the board of directors.

## **VII. CSR Spend/Sources of Funding**

The committee shall endeavour to spend atleast 2% of the average net profit during the preceding 3 financial years on CSR activities as enumerated above. The allocation of the fund shall be made as follows:-

1. ACF & AVNT- such amount as may be sanctioned by the Board of Directors based on their annual budget. The amount sanctioned by the Board of V. K. INDUSTRIAL CORPORATION will have to be utilised for the projects/programs as specified by the CSR committees of V. K. INDUSTRIAL CORPORATION. The unspent amount, if any, at the close of the Financial year shall be retained by ACF/AVNT and shall be spent only on specified projects/programs.

2. Others – as decided by the CSR Committee based on the evaluation of specific project/activities

Any surplus arising out of the contribution made for CSR Activities shall not form part of the business profit of the Company and redeployed for such activities.

## **VIII. Implementation**

1. Project /programs covered under CSR activities shall be implemented by

a) V. K. INDUSTRIAL CORPORATION LIMITED.

b) In collaboration with other Companies undertaking projects/programs in CSR activities.

The CSR committees of respective companies should be in a position to evaluate and report the progress of the such projects/programs.

c) Any other institutes, NGOs, Government, Semi-government, autonomous bodies, trusts etc. However, any such projects/ program to be undertaken through this entities shall have an established track record of 3 years of undertaking such projects/programs.

The time period/duration of each project/programs shall depend on its nature, extend of coverage and intended impact of such activity.

## **IX. Monitoring & Reporting**

The CSR Committee will be responsible for the monitoring CSR activities and report to the Board from time to time.

The CSR Committee has the powers to :

1. Seek monitoring and implementation report from the Organisations receiving funds.

2. Delegate a designated company official to co-ordinate with the Organisation receiving funds to inspect the activities undertaken and ensure information in a timely manner.

The following processes will be followed:

(a) Activities and Budget

The activities and budgets for CSR will be presented in detail to the Board of Directors of V. K. INDUSTRIAL CORPORATION LIMITED.

Additionally, the Committee may empower to spend such amount as they think appropriate for some other strategic CSR contingencies that may arise during any financial year. The amount spent as above shall be put up for ratification of the Committee at its next meeting and shall report to the Board accordingly.

(b) Continuous Monitoring

The Committee Members will receive in a prescribed format, a quarterly report of CSR spend;

A presentation on the progress of the CSR projects / activities will be made to the Committee by the CSR Executives at the Committee meetings held from time to time;

An annual presentation will be made to the Committee which will also includes the details of the projects / activities planned for the next year and its respective budgets

The Board of Directors of V. K. INDUSTRIAL CORPORATION shall review the implementation of CSR every six months.

## **X. Disclosures**

The Annual Report of the Company include a section on CSR outlining the CSR Policy, CSR committee, CSR initiatives undertaken by Company, the CSR spend during the financial year and other information as required by the prevailing law.