

CORPORATE SOCIAL RESPONSIBILITY (CSR)

CSR is about the way in which a company meets its wider obligations both to the employees and to the community. A responsible organization recognizes that its activities have impact in the society in which it operates.

CSR is expected to extend beyond the statutory obligations to comply with legislation and sees organizations voluntarily taking further steps to improve the quality of life of employees and their families as well as that of the local community and society at large. It emphasizes the need for companies to adopt a systems (holistic) approach to a range of stakeholders, including investors, employees, suppliers, customers, government, NGO's and communities.

The values and culture imbibed by our founder chairman Sri.Velagapudi Ramakrishna are being reflected by our organizational actions in the areas of education, health, environment and infrastructure.

CSR offers manifold benefits both internally and externally to the organization. Externally it creates a positive image amongst the people for its company and earns respect amongst its peers. Internally, it cultivates a sense of loyalty and trust amongst the employees in the organizational ethics. More importantly, it serves as a soothing diversion from the location workplace and gives a feeling of satisfaction and a meaning to our lives.

Objectives:

The main objectives of CSR policy is to lay down guidelines for the KCP Limited group companies to make CSR a key business process for substantial development for the Society. KCP will act as a good corporate citizen subscribing to the principles of Global Impact for implementation, we are committed to.

- Enhancing our reputation and respect built over the years in industry and society for our professional style of management based on responsible business policies, business ethics underpinned by Transparency and Accountability.
- Promotion and growth of the national economy through increased productivity, effective utilization of material and manpower resources and managerial skills.
- Create societal value by serving the interests and be responsive towards all stakeholders to create value for all of them and make them informed by, presenting the information on CSR policy, activities and other programmes in a structured manner to all their stakeholders and the public at large through our website, Annual reports, and other communication media and inform them of inherent risks and mitigate them where they occur.
- Comply with all relevant legal and other requirements, Governance systems, not to engage in business practices that are abusive, unfair corrupt or anti-competitive and committed for prevention of pollution, conservation of ecological systems by adopting cleaner production methods, managing natural resources in a sustainable manner and ensure optimal use of resources like land and water, promoting efficient use of energy and environment friendly technologies. and reduce the adverse effect on the environment due to our operations by Facilitating dialogue with various constituents, establishments and departments concerned with environment, safety and social welfare.
- Protect the interest of all sections of society. In particular, the community residing in the immediate vicinity of our manufacturing facilities and Mines where we seeks to actively assist in improving the quality of life and making the community self-reliant by undertaking activities for their economic and social development.
- Provide a safe, hygienic environment to our employees and other third party personnel associated with the day-to-day activities by continuous monitoring and controlling workplace hazards by adopting appropriate technology and best management practices. Regular health check-ups & trainings on first aid & fire-fighting, Personal protective equipment for human safety, by providing various forms of medical assistance to the families of our employees and also to all those living in surrounding villages.
- Provide timely contribution to help in any national disaster such as floods, earth quakes, tsunamis, cyclones etc., by undertaking relief operations at the corporate level and by local units and employees of the respective units.

- Respect human rights for all and creates and nurtures a working environment where human rights are respected by not employing child or forced labour, provide and maintain equality of opportunities without any discrimination and abuse on any grounds in recruitment and during employment.
- Promote and facilitate the employee relations by recognizing freedom of association, right of bargaining, effective grievance redressal system and adopting suitable strategies for maintaining cordial industrial relations.

The Board of Directors of the Company have formed the Corporate Social Responsibility (CSR) Committee in line with Section 135 of the Companies Act, 2013 and Rules made thereunder:

Scope of CSR Policy

- Education
- Environment
- Social Empowerment
- Health Care
- Infrastructure Support

The activities will be specific to village / town / city areas in which we have operations depending on the need assessed for the people. All activities under CSR should be environment friendly and socially acceptable to the local people & Society.

Education

- Advancement of education by way of financial assistance to Primary, Middle & Higher Secondary Schools and technical training institutes
- Scholarship to talented and needy students
- Counseling of parents
- Awareness programme on girl child
- Adult Literacy Programmes
- Special attention on education, training and rehabilitation of mentally and physically challenged children.
- Educational assistance to employees to enhance their professional qualification and skills.

Environment

- Greenbelt development , Aforestation programmes
- Social forestry, parks
- Restoration of mined out lands
- Plantation of saplings
- Water conservation through recycling, rainwater harvesting.
- Effective waste management

Social Empowerment

- Employment Opportunity – training of rural youth for self employment on welding, fabrication, plumbing, electrical and electronics.
- Organizing training programme for women on tailoring, embroidery, lace making, painting, beautician course , preparation of home foods etc.

Health Care

Organizing health units camps on

- AIDs
- TB
- Diabetics
- Cancer
- Eye
- Heart
- Dental
- Blood donation camps
- Yoga and meditation
- Mobile health units
- Providing support to State and National health initiatives like pulso polio.

Infrastructural Support

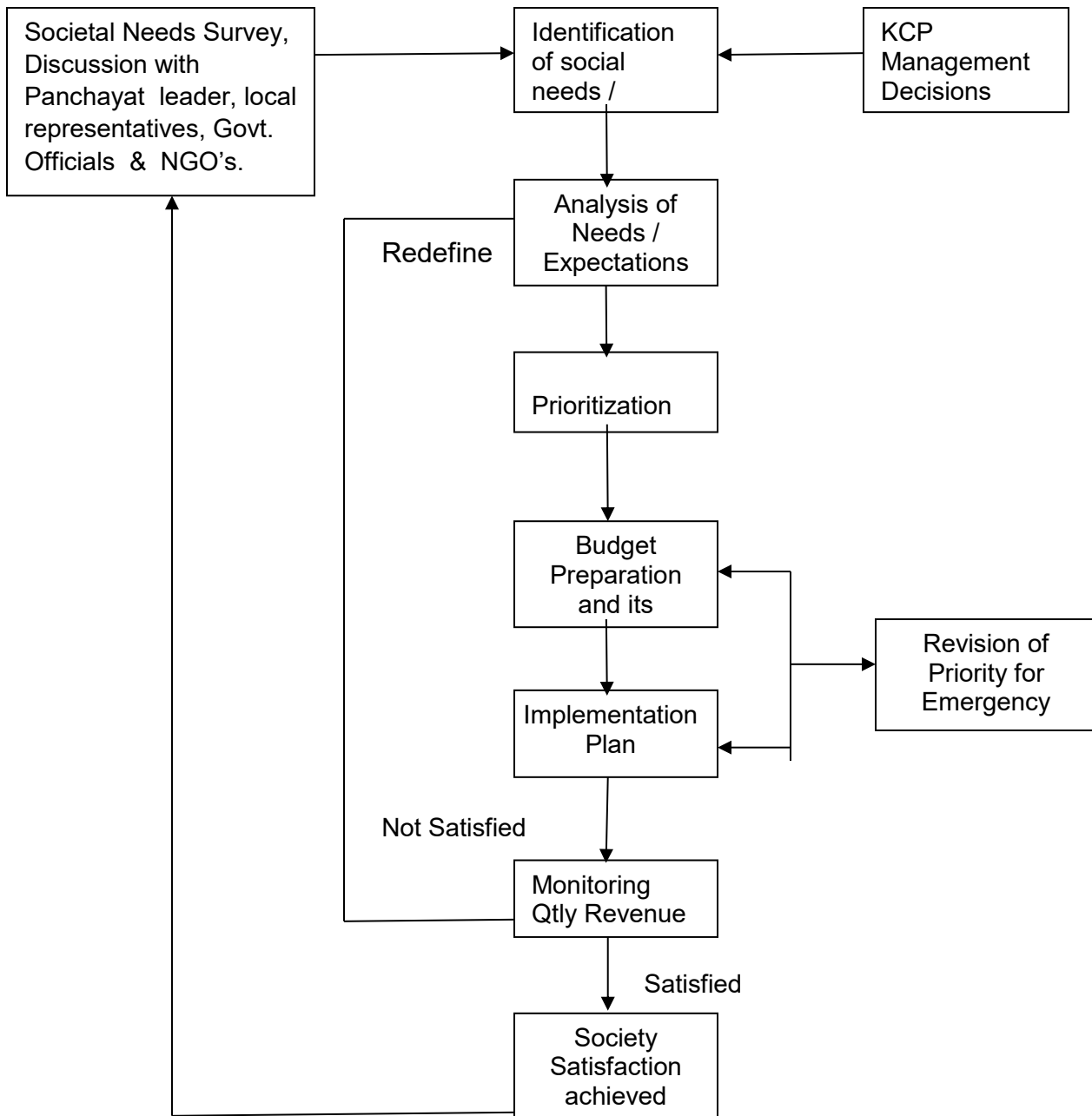
- Drinking water facility – R.O (Reverse Osmosis Facility)
- Roads
- Renovation / Repairs to places of worship
- Community Centres
- Educational Institutions
- Sanitary facilities

INSTITUTIONAL ARRANGEMENT

The Corporate Social Responsibility committee would be constituted at The KCP Limited corporate office and unit / area level for identification and implementation of activities which is given below:

Methodology of CSR Policy

KCP is committed to satisfying and prioritizing the needs of the community and fulfilling them. The flow chart depicts the methodology of KCP's CSR Policy implementation.



Source of Funds

- Funds for the CSR should be allocated based on 2% of the average Net Profits of the Company made during the three immediately preceding financial years.

Upkeep and Maintenance of Assets Created

- Maintenance of assets created under CSR would be the responsibility of the concerned local representatives of the society. Before any capital investment is made an undertaking would be taken from the representatives of the local community that they would be responsible for maintenance of the assets.

Conclusion

The above guidelines would form the frame work around which the CSR activities would be undertaken. Every unit of the company should have specific activities to adopt mostly in their vicinity. The KCP Limited will review the policy periodically and make suitable modifications as may be necessary based on experience.