



COPORATE SOCIAL RESPONSIBILITY POLICY (CSR) POLICY

Introduction

Pursuant to the provisions of Section 135 of Companies Act, 2013, the Corporate Social Responsibility (CSR) Rules, 2014 the CSR Policy of RKEC PROJECTS LIMITED (“the Company”) was constituted by the Board of Directors of the Company at their meeting held on 25th November, 2016. The Committee comprises of four directors viz., Mr. Radha Krishna, Chairman and Managing Director along with Vice Admiral Satish Soni PVSM, AVSM, NM (Retd) Independent Director, Lt. Gen. P.R. Kumar PVSM, AVSM, VSM (Retd) Independent Director and Mr. Peter Lucas Commissioner of IT (Retd) Independent Directors as the members of the Committee. However, the Board has power to reconstitute the Committee as and when required from time to time.

Objective

This Policy has been framed in compliance with Section 135 of the Companies Act, 2013 read along with the applicable rules thereto.

CSR Vision

The company’s CSR philosophy is to strive towards well being of society and being socially responsible for undertaking various activities including those specified in Schedule VII of the Companies Act, 2013. The Organization functions in society and receives all the resources including manpower from the society itself. Hence it is necessary to give back to the society and become responsible towards the society where it operates. The Company aims at contributing in best possible way towards society and has positive approach for sustainable development of society.

Scope

This Policy shall apply to all CSR projects/ programmes /activities undertaken by the Company in India as per Schedule VII of the Act.



Definitions:

- (a) Corporate Social Responsibility (CSR) means and includes but is not limited to Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013 ('Act').
- (b) CSR Committee means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.
- (c) CSR Policy relates to the activities to be undertaken by the Company as specified in Schedule VII to the Act and the expenditure thereon, excluding activities undertaken in normal course of business.
- (d) Net Profit means the net profit of the Company as per its financial statement prepared in accordance with applicable provisions of the Act (Section 198), but shall not include the following viz;
 - i. Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise and
 - ii. Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act. Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956 shall not be required to be re-calculated in accordance with the provisions of the Act.

Role of the CSR Committee

- (a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy in compliance with Section 135 of the Companies Act, 2013.
- (b) Identify the activities to be undertaken as per Schedule VII of the Companies Act, 2013.
- (c) Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- (d) Recommend the amount of CSR expenditure to be incurred on the earmarked CSR activities.
- (e) Monitor the implementation of the CSR Policy from time to time.
- (f) Such other functions as the Board may deem fit.



Role of the Board

- (a) After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company.
- (b) Ensure that the CSR activities included in this Corporate Social Responsibility Policy are undertaken by the Company.
- (c) The Board of the Company may decide to undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a Company established under section 8 of the Act by the company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, or otherwise provided that – If such trust, society or company is not established by the company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, it shall have an established track record of three years in undertaking similar programs or projects/activities;
- (d) Ensure that in each financial year the Company spends at least 2% of the average net profits of the company made during the three immediate preceding financial years, calculated in accordance with Section 198 of the Act, in pursuance of its CSR policy.
- (e) If the Company fails to spend such amount the Board shall, in its report shall specify the reasons for not spending such amount
- (f) Further, while spending the amount earmarked for CSR activities, preference should be given to local areas and areas around the Company where it operates.
- (g) As per Section 135 of the Act, specify the reasons for under spending the CSR amount in the Board's Report.

CSR Activities for Implementation:

The CSR Activities would be in accordance with the provisions of Section 135 read together with Schedule VII of the Companies Act, 2013 as below :-

- (a) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation [including contribution to the Swachh Bharat Kosh promoted by Central Government for promotion of sanitation] and making available safe drinking water:
- (b) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;



- (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 backward 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;[including clean Ganga fund set-up by the Central Government for rejuvenation of river Ganga];
- (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) Measures for the benefit of armed forces veterans, war widows and their dependents;
- (g) Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;
- (h) Contribution to the 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 Caste, the Scheduled Tribes, other backward classes, minorities and women;
- (i) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- (j) Rural development projects;
- (k) Slum area development
- (l) Apart from the above activities, the Company shall undertake activities as may be specified by the Ministry of Corporate Affairs (MCA) from time to time through any amendments, circulars, notifications, rules thereof.

CSR Monitoring and Reporting Framework

In compliance with the Act and to ensure funds spent on CSR Activities are creating the desired impact on the ground a comprehensive Monitoring and Reporting framework has been put in place.

The CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the CSR activities.

The Board Report shall consist a section of Annual Report on CSR as per the format prescribed under the Rules.

The CSR Policy shall also be displayed on the website of the Company.



CSR Expenditure

The CSR activities undertaken in India only shall amount to CSR Expenditure. CSR Expenditure shall include all expenditure including contribution to corpus for CSR activities approved by the Board on the recommendation of the CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

Disclosure of the Policy

The CSR policy recommended by the CSR Committee and approved by the Board shall be displayed on the Company's website and shall be disclosed in the Board's report as well.

CSR Reporting

The Board Report of a Company shall include an Annual Report on CSR containing particulars specified in Annexure to the CSR Rules as per the prescribed format.

Frequency of Meetings

The meetings of the Committee could be held at such periodic intervals as may be required.

Quorum

The quorum of the meetings shall be two members.

Chairman

In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

Secretary

The Company Secretary of the Company shall act as Secretary of the Committee.

Minutes of the Committee Meeting

Proceedings of all meetings must be prepared and signed by the Chairman of the Committee and tabled at the subsequent Board and Committee meeting.

Miscellaneous

This policy shall be updated from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made there under or any other applicable enactment for the time being in force.