

# **Corporate Social Responsibility (CSR)**

## **FINANCIAL YEAR 2020-21**

1. Brief outline on CSR Policy of the Company:

### **Objective:**

**KEONICS is committed to ensuring wellbeing of the communities in vicinity of our business operations by taking up CSR activities which**

- i. Promote organizational integrity and ethical business practices through transparency in disclosure and reporting procedures,
- ii. Leverages green technologies, processes and standards to produce goods and Services that contribute to social and environment sustainability,
- iii. Contribute to inclusive growth and equitable development in society through capacity building measures, empowerment of the marginalized and underprivileged sections/communities.
- iv. Promote welfare of employees and labour (casual or contractual), by addressing their concerns of safety, security, professional enrichment and healthy working conditions, whether mandated or otherwise, However, expenditure on mandated activities cannot qualify for CSR's financial components.

### **Thrust Areas:**

1. Enhancing programmes of education and skilling leading to livelihood and employability of especially abled, transgender and other weaker sections of society.
2. Building & Strengthening facilities for improving health sanitation, nutrition inclusive of safe drinking water
3. Building Social Capital & Infrastructure
4. Nurturing Sustainability for inclusive growth.

## 5. Promoting technologies of high social impact

### **Linkage between KEONICS Corporate Social Responsibility Thrust Areas and Schedule VII of Companies Act, 2013**

#### **Major Activities:**

1. Eradicating extreme hunger and poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.
2. Promotion of education: including special education and employment enhancing vocation skills, especially among children women and differently abled and livelihood enhancement projects.
3. Promoting gender equality and empowering women, setting up homes and hostel for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry conservation of natural resources, maintaining of quality of air, soil and water.
5. Contribution to PMO Relief Fund and any other fund setup by Central & State Government for socio economic development and relief and welfare of SC & ST, other backward classes and women.
6. Contributions or funds provided to technology incubators located within academic institutions approved by Central Government.
7. Rural development projects

## 2. Composition of CSR Committee:

Sl. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
01	Sri. T.R. Suresh, IPS (Up to 31.07.2020)	Managing Director	03	01
02	Sri. S.N. Siddaramappa, IPS (w.e.f 01.08.2020)	Managing Director	03	02
03	Sri. L. Chandrashekar Nayak, IAS	Director	03	--
04	Smt. C.N. Meena Nagaraj, IAS	Director	03	03

- Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:  
**Not applicable**
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **Not applicable**
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.: **Not applicable**

Sl. No	Financial year	Amount available for set-off from preceding financial years (in Rupees)	Amount required to be setoff for the financial year, if any (in Rupees)
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	<b>TOTAL</b>		

6. Average net profit of the Company as per section 135(5):

YEAR	NET PROFIT (Rupees in Lakhs)	AVERAGE FOR 3 YEARS (Rupees in Lakhs)	Available amount for CSR Project @ 2% (Rupees in Lakhs)
2017-18	1,840	--	--
2018-19	1,841	--	--
2019-20	2,106		
<b>TOTAL Rs.in Lakhs</b>	<b>5,787</b>	<b>1,929</b>	<b>38.58</b>

7. (a) Two percent of average net profit of the Company as per

Section 135(5): **Rs. 38.58 Lakhs**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **-Nil-**

(a) Amount required to be set off for the financial year, if any: **-Nil-**

(d) Total CSR obligation for the financial year **(7a+7b-7c): Rs. 38.58 Lakhs**



(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rupees)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
01	Mangalore One School (A Unit of PEOPLES TRUST)	Promotion of education	No	Karnataka	Dakshina Kannada	Rs. 5.00 Lakhs	Yes	--	
02	Dharmastala Shri Ramakshethra Udupi Samithi Educational Trust (R),	Promotion of education	No	Karnataka	Udupi	Rs. 5.00 Lakhs	Yes	--	
03	Shri Rama Vidyakendra Trust, (R), Hanuman Nagar, Kalladka, Bantwala Taluk, Dakshina Kannada District.	Promotion of education	No	Karnataka	Dakshina Kannada	Rs. 5.00 Lakhs	Yes	--	
04	Jnanajyothi Seva Trust,	Promotion of education	No	Karnataka	Chitradurga	Rs. 5.00 Lakhs	Yes	--	
05	Public TV & Rotary International Organization, Bengaluru	Promotion of education	Yes	Karnataka	Bengaluru	Rs. 5.00 Lakhs	Yes		

06	D.K.Z.P. Upgraded Higher Primary School, Daddalakadu, Moodanadugod u Village, Bantwala, Dakshina Kannada District	Promotion of education	No	Karnataka Dakshina Kannada	Rs. 4.50 Lakhs	Yes	
07	Bangalore Urban Zillapanchayat Govt High School, Palace Guttahalli, Bangalore.	Promotion of education	Yes	Karnataka Bangalore	Rs. 2.50 Lakhs	Yes	
08	Government Higher Primary School, Shettyhalli, Hosadurga Taluk, Chitradurga District,	Promotion of education	No	Karnataka Chitradurga	Rs. 4.50 Lakhs	Yes	
<b>Total</b>					<b>36.50 Lakhs</b>		

- (d) Amount spent in Administrative Overheads : **-Nil-**
- (e) Amount spent on Impact Assessment, if applicable : **-Nil-**
- (f) Total amount spent for the Financial Year **(8b+8c+8d+8e)** : **Rs. 36.50 Lakhs**
- (g) Excess amount for set off, if any:

<b>Sl. No</b>	<b>Particulars</b>	<b>Amount (in Rupees)</b>
(i)	Two percent of average net profit of the Company as per section 135(5)	<b>Rs. 38.58 Lakhs</b>
(ii)	Total amount spent for the Financial Year	<b>Rs. 36.50 Lakhs</b>
(iii)	Excess amount spent for the financial year [(ii)-(i)]	--
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	--
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	--



9 (a) Details of Unspent CSR amount for the preceding three financial years: **-Nil-**

Sl. No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rupees)	Amount spent in the reporting Financial Year (in Rupees)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in Succeeding financial years (in Rupees)
				Name of the Fund	Amount (in Rupees)	Date of transfer	
1.	-Nil-						
2.							
	<b>TOTAL</b>						

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s): **Nil**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project (in Rupees)	Amount spent on the project in the reporting financial year (in Rupees)	Cumulative amount spent at the end of reporting financial year (in Rupees)	Status of the project - Completed /Ongoing
1.	-Nil-							
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

**(asset-wise details)**

- a. Date of creation or acquisition of the capital asset(s) : **-Nil-**
- b. Amount of CSR spent for creation or acquisition of capital asset. : **-Nil-**
- c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : **-Nil-**
- d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). : **-Nil-**

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5). :

**During the year under report, the Company had spent Rs.39,00,000/- towards CSR activities of the Company on the recommendation of the CSR Committee as against the eligible CSR amount of Rs.38,58,000/- during the financial year 2020-21. However, during the course of review of the audited financial statements of the Company for the year ended 31.03.2021, the Comptroller and Auditor General of India, Karnataka has advised the statutory auditors to revise their report to the effect that the CSR amount of Rs.2,50,000/- spent by the Company does not qualify to be a CSR activity as per Schedule-VII of the Companies Act, 2013 and accordingly the statutory auditors have revised their report and stated that the Company has spent less than the eligible CSR amount by Rs.2,08,657/- during the financial year 2020-21. Therefore, the Company has transferred Rs.2,08,657/- to the Prime Minister's National Relief Fund (PMNRF) on 30.09.2021.**

