

**The Karnataka State Electronics Development Corporation Ltd  
(KEONICS)  
Corporate Social Responsibility (CSR) POLICY**

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## 1. Preamble:

Keonics strongly believes that usefulness of existence of an entity is best judged not from the financial numbers it reports over a period of time but its relevance to the society as judged by the Stakeholders. We believe in the principle of sharing the earnings. CSR is a way of conducting business, which enables creation and distribution of wealth for betterment of its stakeholders through the implementation and integration of ethical systems and sustainable management practices. It emanates from organizational embedded processes and helps us to view our relationships with our stakeholders in a different perspective which in turn influences our engagement with them. Stakeholders include employees, investors, stakeholders, customers, clients, civil society groups, Government and non-Government organizations, local communities, environment and society at large.

CSR is a form of corporate self regulation integrated into business model. It is the process aimed at embracing the responsibility for the actions of the Corporation and encourages a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public who may also be considered to be the stakeholders in general.

## 2. Corporate Social Responsibility Policy

### a. 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.

### b. Scope

This Policy will apply to all projects/programs undertaken as part of KEONICS's CSR activities and will be developed, reviewed and revised having regard to the relevant codes of Corporate Governance or best practices in this regard. This Policy is also in alignment with the CSR Rules framed under Section 135 of the Companies Act, 2013 and **Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises.**

### c. Thrust areas

CSR engagement of KEONICS with communities shall be prioritized in following five thrust areas

- i. Enhancing programs of education and skilling leading to livelihood and employability of specially abled , transgender and other weaker sections of society
- ii. Building&Strengthening facilities for improving health sanitation , nutrition inclusive of safe drinking water
- iii. Promoting technologies of high social impact
- iv. Building Social Capital & Infrastructure
- v. Nurturing Sustainability for inclusive growth

**d. Principles**

Governance, Budget, Implementation and Reporting of CSR activities shall be guided “Guidelines for Corporate Social Responsibility for Central Public Sector Enterprises” in general and following principles in particular:

- e. Activities which are selected under CSR and Sustainability agenda for external stakeholders should, as far as possible shall be implemented in a project mode, which entails charting the stages of execution in advance through planned processes, with mobilization of pre-estimated quantum of resources, and within the allocated CSR budgets and prescribed timelines.
- f. At least 80% of the annual budget earmarked for CSR and Sustainability activities shall have to be spent on implementation of activities in the project mode. Upto 5% of the annual budget for CSR and Sustainability activities shall be earmarked for Emergency needs like natural calamities.
- g. In the selection or choice of CSR and Sustainability projects, Keonics shall avoid taking up ad hoc, one time, philanthropic activity, which does not contribute in any way to social value creation, environment protection or sustainable development. Contributions to philanthropic, charitable or other organizations should not be considered.
- h. Priority shall be accorded to activities pertaining to: i) inclusive growth of society, with special attention to the development of weaker sections of society and the backward districts of the State, and ii) environment sustainability. Hence, it will be mandatory for Keonics to select one project in each of the two categories of CSR and Sustainability activities mentioned above.
- i. It will be ensured that CSR projects are non –discriminatory in nature and do not have any restrictive political or religious affiliations.
- j. CSR activities may be implemented directly, through employees or through an NGO. If done directly provisions of KTPP Act shall be followed. Reputed and recognized, not for profit institutions which have the expertise and professional competence for conducting training and skill development and other capacity building activities that promote inclusive growth and sustainable development and help in realization of Developmental Goals may be supported through CSR.

## Annexure I

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

	Major Activities Schedule VII	KEONICS THRUST AREAS				Promoting technologies of high social impact
		Enhancing programmes of education and skilling leading to livelihood and employability of specially abled , transgender and other weaker sections of society	Building & strengthening facilities for improving health sanitation , nutrition inclusive of safe drinking water	Building Social Capital & Infrastructure	Nurturing Sustainability for inclusive growth	
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 , specially 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					

**Annexure-II**

Sl. No	Activity	Implementation Mode			Implementation Schedule FY 2016-17				Outcome	Output	Budget in Lakhs
		Direct	Indirect	NGO	Q1	Q2	Q3	Q4			
1	Skilling for employability of specially abled , transgender and other waeker sections			NGO		11.5	11.5		% of trained gainfully employed	No of persons covered	<b>28.62</b>
2	Digital literacy		Indirect			1.8			% of Adults with functional digital literacy	No of House hold covered	<b>2</b>
3	Safe drinking water and Sanitation	Direct			6.4	9.6			Utility of existing toilet sat community & school level.% of children having access to safe drinking water	No of House holds having access to safe drinking water/T oilets	<b>20</b>
4	Mobile Health Program & Services , Behavioral Change Communication			NGO					% reduction in footfalls in out reach camps/canters (Trend analysis-No of positive health behaviors)	% of village covered . No of BCC campaigns	<b>7.6</b>
5	Nurturing Entrepreneurship in Women SHGs								TBD	TBD	<b>0</b>
6	Support to Natural calamity	Direct							TBD	TBD	<b>4</b>
7	Technology for Conservation	Direct							% of households covered under biomass/Solar energy. Survival rate of plantations	No of Villages/ Schools. Total area covered	<b>4</b>
8	Herbal Gardens /Parks/ Plantations								TBD	TBD	<b>2</b>

8	Rural Energy Solutions			NGO				% of households covered under biomass/Solar energy. Survival rate of plantations	No of Villages/ Schools. Total area covered	6
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**74.22**



### Annexure III

#### CSR Committee & CSR Group

A committee of Board of Directors has been formed in pursuance of the said section KEONICS CSR Committee comprises 3 Directors

1. Mr Raj Kumar Srivastava, Managing Director
2. Ms Tanusree Deb Barma, Director Dept of IT,BT and S&T
3. Mr P.K. Das, Director, STPI

### Annexure IV

#### Reporting Framework

1	2	3	4	5	6	7	8
CSR Initiative	Thrust Area	Location	Budget outlay	Amount spent	Cumulative spent	Direct / Implementing Agency	Outcome

### Annexure V

#### Budget for FY 2014-15, 2015-16.

Year	Allocation	Program Based 80%	Reserve 5%	Non Program based
2014-15	38	30.4	1.9	5.7
2015-16	36.22	28.976	1.811	5.433
Total	74.22	59.376	3.711	11.133