



KNR CONSTRUCTIONS LIMITED
CORPORATE SOCIAL RESONSIBILITY (CSR) POLICY

1. PREAMBLE:

Corporate Social Responsibility (hereinafter referred to as 'CSR') is a company's sense of responsibility towards the community and environment in which it operates. It is the continuing commitment by a business to behave ethically and contribute to the economic development of communities who are unequally endowed.

KNR Constructions Limited (hereinafter referred to as 'KNRCL') fosters a culture of caring, trust and continuous learning while meeting the expectations of all stakeholders and society at large. As a responsible Corporate Citizen, the Company contributes towards inclusive growth by empowering communities and accelerating development.

This CSR Policy is framed in terms of the Companies Act, 2013 (hereinafter referred to as 'the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as 'the CSR Rules'), as amended from time to time.

2. CSR VISION:

To take up directly or indirectly sustainable measures, actively contribute to the Social, Economic and Environmental development of the community in which we operate ensuring participation from the community and thereby create value for the nation.

3. CSR COMMITTEE:

The Board of Directors of the Company (hereinafter referred to as the 'Board') has formed the CSR Committee in accordance with the requirements of the Act.

Role of CSR Committee shall include inter-alia the following:

- Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the CSR Programmes;
- Monitor and review the CSR Policy of the Company from time to time;
- Formulation of a transparent monitoring mechanism for ensuring implementation of the CSR programmes proposed to be undertaken by the Company or the end use of the amount spent by it towards CSR programmes;
- Ensure overall governance and compliance of the CSR Policy;



- Annually report to the Board of Directors, the status of the CSR activities undertaken and contributions made by the Company;
- Formulate and recommend to the Board for its approval, an annual CSR action plan in pursuance of the CSR Policy;
- any other requirements mandated under the Act and Rules issued thereto.

4. SELECTION AND IDENTIFICATION OF CSR PROGRAMMES:

CSR Programmes to be undertaken shall be in line with Section 135 read with Schedule VII of the Act and the Rules made thereunder, as amended from time to time and would be identified in a participatory manner in consultation with the community and for selection of any Programme, the scope, impact, cost, timelines, sustainability, visibility of the Company and other relevant factors needs to be evaluated.

KNRCL has identified the following focus areas around which the it shall be focusing its CSR programmes. It may cover all or any of the following activities under the CSR programmes undertaken by it:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- 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.
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- 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 art and handicrafts.
- Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.



- Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports.
- Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.
- Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government. Contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE), Department of Biotechnology (DBT), Department of Science and Technology (DST), Department of Pharmaceuticals, Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH), Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO), Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- Rural development projects.
- Slum area development.
- Disaster management, including relief, rehabilitation and reconstruction activities

5. IMPLEMENTATION:

The Company's CSR Programmes will be implemented:

- Directly by the Company; or
- through a company established under section 8 of the Act, or registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company; or
- a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or



- any entity established under an Act of Parliament or a State legislature; or
- a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

6. CSR EXPENDITURE:

It will be the Company's endeavour to spend in every financial year, two percent of its average net profits during the three immediately preceding financial years (or such other limit as may be prescribed under the Act), on CSR Programmes in pursuance of this Policy.

The CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with this Policy and the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.

The CSR expenditure may be spent by the Company for creation or acquisition of a capital asset in accordance with the Act and the CSR Rules.

Further the Company may collaborate or pool resources with other entities to undertake CSR Programmes.

Treatment of Excess/ unspent CSR Expenditure:

If CSR expenditure by the Company in a financial year exceeds the statutory limit, such excess may be set-off against CSR expenditure up to immediate succeeding three financial years with the approval of the Board and in accordance with the Act and the CSR Rules.

Any surplus arising out of the CSR Programmes will be used for CSR activities and shall not form part of the business profit of the company and shall be ploughed back into the same CSR Programmes or shall be transferred to the Unspent CSR Account and spent in pursuance of this CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year.

Where the unspent amount is in respect of any ongoing CSR Programmes, the company shall within thirty days from the end of the financial year (or such other period as may be specified) transfer such unspent amount to a separate account called Unspent Corporate Social Responsibility Account to be opened in any scheduled bank by the Company for that financial year. The company shall utilise such unspent amount for the ongoing projects within a period of three financial years from its transfer, failing which such amount shall be transferred to a fund specified in Schedule VII of the Act or to such specific fund as may be



prescribed from time to time for this purpose under the Act or Rules framed thereunder within 30 days from the end of the third financial year.

In case of any unspent amount is arising in any financial year out of the CSR Programmes, other than ongoing Programmes, such unspent amount shall be transferred within six months from the end of the financial year to a fund specified in Schedule VII of the Act or to such specific fund as may be prescribed from time to time for this purpose under the Act or Rules framed thereunder and the reasons for not spending the amount to be specified by the Board in Boards' Report.

7. DISCLOSURE AND CSR REPORTING:

This Policy and composition of the CSR Committee will be posted on the Company's website <https://www.knrcl.com> and web link thereto will be disclosed in the Board's Report of the Company.

The Board's Report of the company covered under these rules pertaining to any financial year will include an annual report on CSR containing particulars as specified under Act.

8. IMPACT ASSESSMENT:

KNRCL having average CSR obligation of ten crore rupees or more in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

Company undertaking impact assessment may book the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed two percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is higher.

9. REVIEW AND AMENDMENTS IN THE POLICY:

This Policy will be reviewed by the Board, on the recommendation of the CSR Committee, as and when deemed necessary.

Any subsequent amendment / modification to the CSR provisions as contained under the Act or Rules framed thereunder or other applicable laws in this regard shall automatically apply to this Policy and the Policy shall be deemed to have been amended accordingly. Further in the event of any inconsistency between this Policy and the applicable laws, the applicable laws will prevail.

(Amended at the board meeting held on 29th May 2025)
