

KUTE SONS DAIRYS LIMITED

Composition of CSR Committee of :-

1. Mr. Suresh Dnyanobarao Kute
2. Mrs. Archana Suresh Kute

Approved projects :-

The projects mentioned in the CSR Policies of the Company, are the approved projects and Company can make CSR expenditure in that.



KUTE SONS DAIRYS LIMITED

(Formerly known as 'Tirumalaa Dairy Limited' and before that 'Swaraj India Industries Limited')



KUTE SONS DAIRYS LIMITED

Corporate Social Responsibility [CSR] Policies

(Amended on 30th March, 2021)

This amended Corporate Social Responsibility ("CSR") Policy was adopted by the Board of Directors of Kute Sons Dairys Limited (KSDL) in March, 2021 and has been communicated to all our employees. We are committed to implementing it on an ongoing basis.

The main objective of KSDL CSR policy is giving back to the rural society which has helped its business growth and sustenance so far. The area of community development includes Malnutrition & Eradicating hunger, Animal health, Drinking water, Rural Infrastructure facilities, Rural Education/promoting gender equality among rural mass.

AREAS TO BE COVERED AND IMPLEMENTATION:

The underprivileged, backward and needy sections of the Society living in different parts of India would normally be covered. Moreover, the Corporate Social Responsibility projects and programs to be undertaken by the Company shall include activities falling within purview of Schedule VII of the Companies Act, 2013, as amended from time to time.

SCOPE:

1. Healthcare:

- promoting health care including preventive health care
- Eradicating hunger, poverty and malnutrition
- Promoting sanitisation
- Providing safe drinking water
- slum area development
- rural development projects

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2. **Education:**

- promoting education including special education and
- employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects
- financial assistance for the education for needy students
- any other required equipment for the students for having education to make their life easier (such as by providing cycles etc.)

3. **Woman empowerment:**

- 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.

4. **Sports & Culture:**

- training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports
- 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;

5. **Generation of employment:**

- Employment facilities should be provided to the community people especially to the backward section by providing education and training thereby developing their skill for suitable Employment.

6. Grant / donation / financial assistance / sponsorship to reputed NGO's of the Society / locality doing / involved in upliftment of the standard of the society.

7. Relief of victims and Natural Calamities like Earth Quake, Cyclone, Draught and Flood situation in any part of the country.

8. Contribution to Prime Minister's Relief Fund or any other fund set up by the Central Government

9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.

10. Such other activities and projects covered in Schedule VII to the Companies Act, 2013 from time to time.

All activities under the CSR activities should be environment friendly and socially acceptable to the local people and Society.

ACTIVITIES OF THE CSR COMMITTEE (as and when constituted):

1. To decide the priority of the activities to be undertaken under CSR
2. Committee shall examine the project proposal related to Company for recommendation to the Board of Directors of the Company
3. Committee shall recommend the amount of expenditure for each project/ programme for approval of the Board.

The Board of Directors of Company should review the implementation of CSR, from time to time.

CSR outlay:

- i. The company shall endeavour to expend in every financial year, at least 2% of the Average Net Profits earned during the 3 immediately preceding financial years, in pursuance of this Policy and in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility) Rules, 2014.
- ii. Any unspent CSR amount or excess spent CSR amount shall be dealt with as provided in sub-section (5) & (6) of section 135 of the Companies Act 2013, read with the Companies (Corporate Social Responsibility) Rules, 2014 and Schedule VII to the Companies Act, 2013, as amended from time to time. For the sake of administrative convenience and ready reference these provisions are stated below:

"Section 135: Corporate Social Responsibility

(5) The Board of every company referred to in sub-section (1), shall ensure that the company spends, in every financial year, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years 7[or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years], in pursuance of its Corporate Social Responsibility Policy:

Provided that the company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities:

Provided further that if the company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount 8[and, unless the unspent amount relates to any ongoing project referred to in sub-section (6), transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year].

[Provided also that if the company spends an amount in excess of the requirements provided under this sub-section, such company may set off such excess amount against the requirement to spend under this sub-section for such number of succeeding financial years and in such manner, as may be prescribed.]

[Explanation.—For the purposes of this section "net profit" shall not include such sums as may be prescribed, and shall be calculated in accordance with the provisions of section 198.]

(6) Any amount remaining unspent under sub-section (5), pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such

amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year."

Manner of Execution of projects

The Company will undertake its CSR activities either directly or through a Registered Trust "The Kute Group Foundation" or through a Registered Society or establish another company under Section 8 of the Companies Act, 2013 or even to collaborate with other entities.

The Company will give preference to the local area(s) in and around our plant/s.

Administrative Expenses:

The administrative expenses to be incurred shall not exceed 5% of the total CSR outlay of the Company for the financial year, as per the amended CSR Rules.

Impact Assessment:

As per the amended rules of Corporate Social Responsibility, following companies need to undertake the Impact Assessment:

Every company having average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, 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.

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

When KSDL will cross the above mentioned criteria, it will undertake such Impact Assessment as per mentioned in the CSR Rules.

CONCLUSION:

The above guidelines would form the framework around which the CSR activities would be undertaken.

The Board will review the policy from time to time based on changing needs and aspirations of the target beneficiaries and make suitable modifications, as may be necessary.

FOR KUTE SONS DAIRYS LIMITED

Suresh

**DIRECTOR
SURESH KUTE
DIN: 05017426**

**Date: 30.03.2021
Place: Beed**