

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES - 2018-19

(As per Rule 8 (1) of Companies (Corporate Social Responsibility policy) Rules, 2014)

A. Brief outline of the company's CSR policy

The Company, since its inception believed in the guiding principle "Caring the Community" and as a responsible corporate, it always believe in improving the quality of life of communities interfacing with the Company. We have served disadvantaged communities in and around our factories premises directly or through Twenty20 Kizhakkambalam Association through its focus on Eradicating Hunger and Poverty, Education and Skill Development, ensuring good Health & Wellness, Environment Sustainability and making available Safe Drinking Water and contributed towards national causes. We have also been successful in inspiring stakeholders in participating in our CSR journey. The Projects undertaken has been a hall mark and much appreciated by the community and was within the broad framework of Schedule VII of the Companies Act, 2013.

Our vision is – "to effectively contribute to the social and economic development of the communities in which we operate. In doing so we intend to build a better, sustainable way of life for the weaker sections of society and raise the country's human development index".

Our CSR policy includes:

- 1. To pursue a corporate strategy that enables realization of the twin goals of shareholder value enhancement and societal value creation in a mutually reinforcing and synergistic manner.
- 2. To implement Social Investments/ CSR programmes primarily in the economic vicinity of your Company's operations with a view to ensuring the long term sustainability of such interventions.
- 3. To contribute to sustainable development in areas of strategic interest through initiatives designed in a manner that addresses the challenges faced by the Indian society especially in rural India.
- 4. To collaborate with communities and groups to contribute to the national mission of eradicating poverty and hunger, especially in rural areas, through superior farm and agri-extension practices, soil and moisture conservation and

watershed management, conservation and development of forest resources, empowering women economically, supplementing primary education and participating in rural capacity building programmes and such other initiatives.

- 5. To sustain and continuously improve standards of Environment, Health and Safety through the collective endeavour of your Company and its employees at all levels towards attaining world class standards and support other programmes and initiatives, internal or external, for the prevention of illness and combating of diseases as may be considered appropriate from time to time.
- 6. To encourage the development of human capital by expanding human capabilities through skills development, vocational training etc. and by promoting excellence in identified cultural fields.

Details of CSR activities undertaken in the current year are available in our web link: www.facebook.Twenty20Kizhakkambalam. Further details of Company's CSR policy is available in www.kitexgarments.com

B. Composition of the CSR Committee

Kitex Garments Limited has set up Corporate Social Responsibility Committee (CSR Committee) as per the requirement of the Companies Act, 2013. The members of the CSR Committee as on March 31, 2019 are:

- i. Mr. Sabu M. Jacob Chairman
- ii. Mr. K.L.V. Narayanan Member
- iii. Mr. Benni Joseph Member
- iv. Mr. C. P. Philipose Member
- C. Average net profit of the company for last three financial years: Rs. 140,41,51,151
- D. Prescribed CSR Expenditure (two per cent of the amount as in Item C above): Rs. Rs. 2,80,83,023

E. Details of CSR Spend during the financial year

- i. Total amount spent for the financial year: Rs. 5,57,69,163.18/-
- ii. Amount Unspent, if any; None.
- iii. Manner in which the amount was spent during the financial year is detailed below.

(Amount in Rs. in lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs	Amount outlay (budget) project or Program wise	Amount spent on the projects or programs	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
					Sub Heads		
			(1) Local area or other		(1) Direct expenditure on Projects or Programs		
			(2) Specify the State and district where projects or programs was Undertaken		(2) Overhead		
1	Agriculture capacity building	Environment sustainability	Local Area covered by Kizhakkambalam Panchayat in Ernakulam District in State of Kerala	1,31,352.00	2,60,846.95 (Direct expenditure on Programs)	2,60,846.95	
2	Education & Knowledge development	Promoting education		34,085.00	67,686.00 (Direct expenditure on Programs)	67,686.00	
3	House construction and colony development	Environment sustainability		52,776.00	1,04,806.31 (Direct expenditure on Programs)	1,04,806.31	Directly by the Company
4	Food and nutrition practices at family and community level	Eradicating hunger, poverty and Malnutrition		2,69,70,190.00	5,35,59,224.72 (Direct expenditure on Programs)	5,35,59,224.72	
5	Infrastructure Development	Environment sustainability		8,94,621.00	17,76,599.2 (Direct expenditure on Programs)	17,76,599.2	
Total Spent				2,80,83,023.00	5,57,69,163.18	5,57,69,163.18	

G. In case the company has failed to spend the two percent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. Not Applicable. The Company has spent above the required amount.

Our Responsibility

The Responsibility Statement of the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company is reproduced below:

'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.'

May 20, 2019 Kizhakkambalam Sabu M. Jacob
Managing Director
& Chairman of CSR Committee
(DIN: 00046016)

Benni Joseph Member CSR Committee (DIN: 01219476)