

BUSINESS RESPONSIBILITY REPORT 2018-19

[As per Regulation 34 (2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. INTRODUCTION

As per the Securities and Exchange Board of India (SEBI) mandate, the top 500 listed entities, based on market capitalisation, should include a Business Responsibility Report (BRR) as part of their Annual Report. KIOCL is presenting its BRR for the Financial Year 2018-19 as per the framework suggested by SEBI. The Report covers the key initiatives in line with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs), released by the Ministry of Corporate Affairs in July 2011.

The Business Responsibility Report of FY 2018-19 describes KIOCL initiatives towards economic, social and environmental fronts in India.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L13100KA1976GOI002974						
2	Name of the Company	KIOCL LTD						
3	Registered address	II Block, Koramangala, Bengaluru - 560034						
4	Website	www.kioclltd.in						
5	E-mail id	cs@kioclltd.com						
6	Financial Year reported	April 1, 2018 - March 31, 2019						
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	<table border="1"> <tr> <td>Product</td><td>Iron Ore Pellets</td><td>17100</td></tr> <tr> <td>NIC Code</td><td>Pig Iron</td><td>24101</td></tr> </table>	Product	Iron Ore Pellets	17100	NIC Code	Pig Iron	24101
Product	Iron Ore Pellets	17100						
NIC Code	Pig Iron	24101						
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	a) Iron Oxide Pellets b) Pig Iron c) Operation & Maintenance d) Mineral Exploration						
9	Total number of locations where business activity is undertaken by the Company							
	i. Number of International Locations (Provide details of major)	None						
	ii. Number of National Locations	Manufacturing Units: 2 Corporate Office: 1 Site / Liasoning: 6						
10	Markets served by the Company - Local/State/National/International	KIOCL serves the national market and also the International market by exporting Iron Ore Pellets across the Globe.						

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	₹ 621.93 Crs
2	Total Turnover (INR)	₹ 2012.68 Crs
3	Total Profit Before Taxes (INR)	₹ 184.12 Crs
4	Total Profit After Taxes (INR)	₹ 111.86 Crs
5	Total Spending on Corporate Social Responsibility (CSR) as percentage of net profit after tax (%)	2% of average PBT of three preceding years
6	List of CSR activities in which expenditure has been incurred: a. Education b. Promotion of Sports c. Clean drinking water d. Health Care e. Contribution to Chief Minister's Relief Fund f. Development of Aspirational District	

SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/ Companies?**
KIOCL has its corporate office located at Bengaluru. Pellet Plant Unit and Blast Furnace Unit are located at Mangaluru. The Company does not have any subsidiary.
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**
Presently Not Applicable
- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? {Less than 30%, 30-60%, More than 60%}**
The company is not aware of any BR initiatives of any of its vendors.

SECTION D: BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director/Directors responsible for BR

- Details of the Director/Directors responsible for implementation of the BR policy/policies
 - DIN Number 06729244
 - Name Sri N. Vidyananda
 - Designation Director (Production & Projects)
 - Telephone number 080-25531150
 - e-mail id dpp@kioclltd.com
- Details of the BR head
 - DIN Number (If applicable) NA
 - Name Sri P. K. Mishra
 - Designation Company Secretary
 - Telephone Number 080-25531525
 - Email Id cs@kioclltd.com

2. NVG PRINCIPLES

The Nine Principles to be followed in areas Economic / Social / Environment for conducting in Business in a Responsible way :

P1	Ethics, Transparency and Accountability
P2	Product Life Cycle
P3	Wellbeing of all employees
P4	Stake Holder Engagement
P5	Human Rights
P6	Environment
P7	Public and Regulatory policy
P8	Inclusive growth / CSR
P9	Engage with and provide value to customers and consumers

2 (a) Details of compliance (Reply in Y/N)

S.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes, the policies are formulated in consultation with stakeholders & Government Guidelines, as the Company is a CPSE under Ministry of Steel								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The Sustainable Development (SD) Policy addresses the essence of the nine NVG principles issued by Ministry of Corporate Affairs, Government of India.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ Owner/CEO/ appropriate Board of Director?	The policies are approved at appropriate levels by the Competent Authority including the Board, whenever required.								
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	All policies can be viewed online at Company website at https://www.kioclltd.in .								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	"Y", the communication with internal and external stakeholders on such matters is a continuous process.								
8	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

**2 (b) If answer to S.No. 1 against any principle, is 'No', please explain why:
(Tick up to 2 options)**

Sl. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	Not Applicable, as the company has formulated policies based on all nine principles								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. GOVERNANCE RELATED TO BR

1 Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company.

The Board of Directors will review the BRR periodically

2 Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The BR Statement is part of KIOCL's Annual Report. The hyperlink for viewing the Annual Report for the Financial Year 2018-19 is <https://www.kioclltd.in/user/cms/39>

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, Transparency and Accountability

The Company acknowledges the vitality of image and reputation in adding value to the organisation. It believes that conducting business on the pillars of ethics and transparency, full disclosure and independent monitoring fosters trust of stakeholders as well as improves the reputation of the Company.

It has a Code of Conduct which provides an ethical road map to its Directors and senior management in order to facilitate the management to steer the Company in the right path. The Code of Conduct for all other employees is included in Company's service rules.

1 Coverage of policy relating to ethics, bribery and corruption (e.g. Joint Ventures, Suppliers, Contractors, NGOs etc.)

The Company's policy on bribery and anti-corruption covers all individuals working at all levels and grades. This mechanism includes directors, senior executives, officers, employees (whether permanent, fixed-term or temporary) and third parties including consultants, contractors or any other person associated with it. The well-defined policy lists tenets on ethical business conduct, definitions and the framework for reporting concerns.

2 Number of Stakeholder complaints received in the past financial year and percentage of complaints satisfactorily resolved by the management in the FY 2018-19

There are constant effort to enhance stakeholders' satisfaction level. As part of the business responsibility; a process is in place for Redressal of Stakeholders' Grievance. All the stakeholders are free to share their concerns and grievances with the Company through this structured mechanism. Details of Stakeholder complaints are as given below:

Stakeholder	Complaints Received	Complaints Resolved
Employees	0	0
Vendor	0	0
Company	0	0
Investor	0	0
Society	0	0
Total	0	0
During the Financial Year 2018-19, No complaints were received from Stakeholders.		

Principle 2: Product Produced should be safe and contribute to sustainability throughout their life cycle

1 List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is currently producing **Pellets**, made from **Iron Ore Fines**, generated during mining which otherwise would add to the environmental pollution.

It converts these Iron Ore Fines into Pellets through value addition using Pelletisation Technology. It thus produces a product (Pellets) which not only protects environment but also conserves mineral resources.

It also addresses the adverse impact on environment due to huge dump of Iron ore fines generated during mining over a period by producing Pellets using these iron ore fines.

2 For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

The Company believes in optimum consumption of its electricity, furnace oil, water and other additives. It sets targets for specific consumption of major parameters. In order to achieve the target it conducts energy audit at project site. The energy audit also helps to identify and prioritise energy efficient technological measures and saving opportunities.

The parameters in respect of major inputs like energy, water, furnace oil, coke, raw material for previous year and current year as per production rate is furnished below. The reduction during sourcing/production/ distribution as achieved throughout the value chain is detailed below:

Target Vs. Achieved

Description	Target	Achieved for 2017-18	Target	Achieved for 2018-19
Energy Kwh/MT for Pelletisation including grinding and filtration.	64	66.83	64	67.85
Coke consumption Kg/MT	17	16.48	17	14.87
Bentonite consumption Kg/MT	7	9.36	7	7.97
Furnace oil Ltr/MT	17	16.65	17	15.29
*Water consumption M3/ MT	<1	0.38 M3	<1	0.54 M3
Lime stone Kg/MT	29	24.59	29	24.36
IOF to pellets	1:1	1:1	1:1	1:1

- ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Please refer to the table above. As shown above, reduction has been achieved in the consumption of coke, bentonite, furnace oil and lime stone.

3 Does the Company have procedures in place for sustainable sourcing (including transportation)?

The only raw material used in **Pellet making is Iron Ore Fines** and Company has a sustainable plan as under:

Short term plan: The Company has tied up with NMDC, a sister CPSE under Ministry of Steel for supply of upto 3 million tons of iron ore fines per year from NMDC Bailadila mines through Long Term Agreement.

Long Term Plan: The Company's mine at Kudremukh has been closed since January, 2006. The Government of Karnataka has notified for the mining lease of Devadari Iron Ore Mine in Bellary District, Karnataka in January, 2017 for captive consumption of Iron Ore and Manganese Ore. The action plan is in position to get various statutory clearances in order to start mining operation within the next two years' time.

Company will undertake development of iron ore mines, Construction and commissioning of beneficiation plant along with infrastructure development viz Railway siding, water pipeline, power transmission line, conveyor corridor with capital investment of around ₹ 1500-2000 Crores. The iron ore produced from this mine will be transferred through road, railways and utilized in the existing pellet plant and pig iron plant at Mangaluru. Setting up of pellet plant at Devadari site is envisaged at later stage.

4 Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Being a CPSE, KIOCL follows Public Procurement Policy for Micro and Small Enterprises (MSEs) in pursuance to the Micro, Small and Medium Enterprises Development (MSMED), Act, 2006 from the year 2015- 16.

As a part of the procurement policy, the Company identifies items and **exclusively reserves them for purchase** from Micro and Small Enterprises & has procured 27.19% from only MSE (including MSEs owned by SC/ST and women entrepreneurs) out of total procurement in the FY2018-19 .

5 Does the company have a mechanism to recycle products and waste? If yes what is the % of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The waste generated from the manufacturing of pellets is recycled and reused. A process is in place to recycle wastes generated during the manufacturing cycle. Apart from the production waste, other general wastes produced are also recycled and the details are as follows:

1. Waste Generated During Manufacturing

- a) The Pellet manufacturing process generates waste of 3%(5mm size) approximately of pellet fines. Hence the waste generated is reused again for pellet making through re-cycling process.
- b) IOF processing, slime generated is flown out through thickener overflow to dump pond which is again recycled during dry season.
- c) Pellet fines collected through de-dusting and wet scrubbing is reused for pellet making through re-cycling.

2. Other Wastes

- a) **Canteen Waste and Garden waste-** The canteen waste, which includes food waste, vegetable waste as well as the garden waste which constitutes dead and dry leaves and flowers are used for making compost in the plant premises itself so as to avoid the use of pesticide and fertilisers.
- b) **Sewage Waste** is recycled in the sewage treatment plant and the water is used for gardening.
- c) **Grey Water** is also recycled and is used for gardening purposes.
- d) **The Medical waste** is disposed of through authorised KSPCB agencies.

Principle 3: Wellbeing of all employees

KIOCL believes that its people are its most valuable asset for progressive growth of Company. Their knowledge, experience and passion to perform are fundamental to the progress of the organisation and its upward growth. KIOCL provides its employees with opportunities that encourage them to excel and ensures a work environment that promotes well-being. KIOCL neither discriminates among present employees nor during the recruitment process, on the grounds of religion, race, colour, gender and disability. Providing equal opportunities to all is an integral aspect of the Company's responsibility towards its employees.

KIOCL's Management believes in the freedom of association and hence the Company has three recognized workers' unions. The Company's management is accessible at all points of time to redress any employee / worker concerns and complaints as per well-defined procedures.

KIOCL endeavours to keep its employees abreast with the latest technical knowledge. Skill refresher courses are regularly conducted at KIOCL and necessary training sessions are held for its workforce as and when required.

Key employment related data as of the end of the reporting year 2018-19 is provided in the table below:

1	Total Number Employees	841
2	Total number of employees hired on temporary/contract/ casual basis	498
3	Total number of permanent women employees	26
4	Total number of permanent employees with disabilities	13
5	Do you have an employee association that is recognized by the management?	Yes
6.	What percentage of your permanent employees or members of this recognized employee association? Employee's & Officer's Union	Employees - 95% Officers - 86%

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

As on the end of the Financial Year 2018-19, there is no complaint relating to child labour, forced labour, involuntary labour, sexual harassment, discriminatory employment. For protection against sexual harassment of women at work place, KIOCL has constituted an internal complaints committee in lines with the requirement of the sexual harassment of women at the work place (Prevention, Prohibition and Redressal) Act, 2013 to redress sexual harassment complaints.

8 What percentage of under mentioned employees were given safety and skill up-gradation training in the last year?

a.	Permanent employees	62%
b.	Permanent women employees	80%
c.	Casual/temporary/contractual employees	85%
d.	Employees with disabilities	54%

Principle 4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1 Has the company mapped its internal and external stakeholders?

Yes, KIOCL has mapped its internal and external stakeholders which includes:

- ✦ Government and regulatory authorities
- ✦ Employees
- ✦ Customers
- ✦ Local community
- ✦ Investors and shareholders
- ✦ Suppliers
- ✦ Trade unions

2 Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

At KIOCL, engagement with the stake holder is an on-going process. The Company follow a system of timely feedback and response through formal and informal channels of communication to ensure that the stakeholder information remains current.

3 Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders?

The Company engages with the marginalised section as and when required in terms of help in the field of medical assistance as in provision of an ambulance, holding medical camps in villages, educational institutions where children from the underprivileged communities are provided scholarship. These special initiatives are taken on merit basis.

Principle 5: Respecting and Promoting Human Rights

KIOCL strongly believes in respecting and upholding the human rights of all its internal and external stakeholders. In pursuance to this policy, KIOCL follows International Labour Organization guidelines and the Indian Factories Act, 1948 which provides the framework for the organization to comply with all applicable laws of the land pertaining to human rights.

1 Does the policy of the company on human rights cover only the Company or extend to the Group / Joint Ventures/ Suppliers/ Contractors/ NGO's / Others?

KIOCL believes that a sustainable organisation rests on a foundation of ethics and respect for human rights. KIOCL's policy 'Human Rights' demonstrates its commitment towards the preservation of human rights across the value chain.

KIOCL promotes awareness of the importance of respecting human rights within its value chain and discourages instances of abuse.

2. How many stakeholder complaints have been received and in the past financial year and what percentage was satisfactorily resolved by the management?

During FY 2018-19, the Company has not received any Stakeholder complaint. The Company has well defined process in place including Public Portal for receiving complaints from stakeholders.

Principle 6: Environment Management

Business should respect, protect, and make efforts to restore the environment

The Company has a Quality, Occupational Health, Safety and Environmental Policy in place and steps are being taken to extend it to the major contractors and sub-contractors. KIOCL Production unit has subscribed to the ISO 9001, ISO 14001, (Environmental Management System) and OHSAS 18001 Occupational Health and Safety Standard. The Company continually identifies and assesses potential environmental risks associated with its operations and complies with applicable environmental regulations.

1 Does the policy related to Principle 6 cover only the Company or it extends to the Group/ Joint Ventures/ Supplier/Contractors/ NGOs/others

KIOCL's Health, Safety and Environmental policy is a comprehensive document which identifies environmental preservation and pollution prevention as their responsibility. KIOCL's policy is not extended to the others. However, the suppliers / contractors may have their own policies.

2 Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

KIOCL, as a responsible company has taken initiatives to address the cause of Global environmental issues and as a part of the initiatives, following has been carried out :

- 1) KIOCL Mangaluru Plant has increased the green cover by planting a number of trees in their Mangaluru plant premises & other areas.
- 2) KIOCL has reduced emission of Green House Gases by adopting various energy conservation measures.

3 Does the company identify and assess potential environmental risks? Y/N

Yes, the Corporate environment policy guides the Company's efforts on environmental management. Company attempts to resolve the environmental issues and mitigates the problem whenever observed at plant level through its environmental cell. The Company is certified for environmental management standard hence as part of compliance to this, aspect-impact registers are in place which identifies potential environmental risks along with appropriate mitigation plans. Further, environment risks are identified in the risk matrix and discussed in the internal audit review meeting.

4 Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

As a responsible company, KIOCL has been a part of clean development mechanism contributing to reduce emissions, achieving sustainable development leading related benefits. Some of the initiatives taken are:

1. Funded the development of Tree Park for the conservation of endangered plant species of Western Ghats at Pilikula Nisargadhama, Mangaluru.
2. Funded to increase the green cover in and around Mangaluru.
3. Saplings are planted inside the compound of Pellet Plant Unit and Blast Furnace Unit of KIOCL.

5 Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlink for web page etc.

As a part clean development mechanism, the following initiatives were taken as a commitment to reduce emissions, energy efficient lighting, improvement of air quality, reduction of costs too.

1. Roof top solar plants with a capacity of 83.2 KW and 293 KW have been installed at Pellet Plant and Blast Furnace Unit. The panels have been set up on the roof of the cooling water plant and the CPP office buildings of the Pellet Plant. At the BFU, 4 units have been set up above the Stores, Welfare building, Administration building and MSDS building.
2. Action has been taken to install additional solar power plant with capacity of 1 MW at Blast Furnace Unit, which has been commissioned in the month of November 2018.
3. Various energy conservation measures like modification of pipe line for supply of drinking water at Kudremukh Township, and from Kudremukh to Mangaluru Pellet Plant, introduction of VFD for controlled operations, downsizing of motors, replacement of old motors by energy efficient motors and replacement of Conventional Lighting systems with CFL/LED.
4. Recycling of waste water and tapping of rain water for use in gardening as well as toilet as a part of conservation of water.

5. The company has taken requisite steps for the proper disposal of biomedical waste, hazardous waste through authorised agencies as well as proper battery management.
 6. As an extra measure to reduce the environmental hazard, mist type water sprinklers have been commissioned to suppress the dust along the approach road adjacent to MSDS
- 6 Is the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**
- KIOCL is in compliance with the prescribed permissible limits as per Pollution Control Board norms for air emissions, effluent quality and discharge, hazardous waste generation and disposal. As per the PCB regulation, reports are submitted to the appropriate authorities, as applicable.
- As a part of the environmental management, the Air Pollution Control as well as emissions monitoring systems is in place to monitor, prevent and mitigate pollution Emissions from stacks and ambient air quality including noise levels are also monitored.
- 3rd party Monitoring is also carried on monthly basis and reports are submitted to the respective PCBs. Wastewater treatment plants are in place to treat the effluent generated before it is discharged.
- 7 Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on the end of Financial Year**
- The company has not received any Show Cause Notice in the FY 2018-19

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

- 1 Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**
 - a. Standing Conference of Public Enterprises, New Delhi (SCOPE)
 - b. Federation of Indian Mineral Industries, New Delhi (FIMI)
 - c. Pellet Manufacturer Association of India, New Delhi (PMAI)
 - d. Institute of Directors, New Delhi (IOD)
 - e. Federation of Karnataka Chamber of Commerce & Industry, Bangalore (FKCCI)
 - f. Federation of Indian Exporters Organisation, New Delhi (FIEO)
 - g. Indian Institute of Metal Management (IIMM)
- 2 Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

KIOCL has not lobbied / advocated through any association for advancement or improvement of public good so far.

Principle 8: Businesses should support inclusive growth and equitable development

The CSR activities are guided by KIOCL's vision and philosophy of ethical, value-based and transparent functioning.

The Company implements various CSR initiatives through Company's own internal team, based on inputs received from Local Authorities, Business Associations, Social and Philanthropic Organisations of repute and Civil Society, wherever deemed necessary.

The Company believes that its success is interlinked with the well-being of all sections of the society and equal opportunity for all sections. The Company continues to ensure no discrimination of any type to socially disadvantaged sections at the work place. The key contributions of 'inclusive growth and equitable development', is a part of KIOCL's CSR Report which is a part of 2018-19 Annual Report.

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, KIOCL believes in creating opportunities for the people around its operations to enable a sustainable future and ensure inclusive growth.

KIOCL's community development activities focus on areas of health, sanitation, education and infrastructure.

KIOCL's CSR initiatives are aligned to aspects such as education, healthcare, skill enhancement, infrastructure development, promoting sportsmanship, women empowerment among others.

The various initiatives undertaken during FY 2018-19 are a part of CSR Report as published along with 2018-19 Annual Report.

2 Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?

The Company has an **in house CSR team** at the Corporate & Plant level and at each level. Dedicated CSR teams are in place to plan, implement, monitor and review various community development initiatives/programs.

Company believes in a participatory approach towards implementing CSR initiatives and collaborates directly with end beneficiaries to deliver the programs and projects.

3 Have you done any impact assessment of your initiative?

The CSR Policy is formulated to commit for enhanced value-creation for the Society, shareholders, other stakeholders and the communities by taking-up activities and initiatives for sustainable growth for the Society, with environmental concern. The programmes / projects are generally chosen in the local areas of the Company's manufacturing units. These programmes / projects are implemented by the teams of the Company. However, considering the nature of the projects undertaken no impact assessment has been carried out by the Company so far.

4 What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

In the FY- 2018-19 a sum of ₹ 32.51 Lakhs has been spent on various Community Development Projects. Project Details are part of our CSR Report published in 2018-19 Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Our CSR initiatives are implemented based on a collaborative and participatory approach. Community development is an on-going process & is carried out on a regular basis.

Project selection is based requests received from local representatives and selected after studying and understanding the need, geographic location and available funds. Implementation plans are prepared for project execution with the help of various local representatives for community development projects. The CSR team interacts with the beneficiaries at various stages of the project implementation to ascertain the efficacy of the project

Principle 9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Customers & Customer service is a part of KIOCL focus, hence customer focused metrics are of crucial importance. KIOCL has a structured customer complaint redressal system to address any sort of customer concern or grievance.

Any customer complaint lodged is directed to the respective department for action. A process is in place at the Company to address the customer complaint. All complaints received from the customers are acknowledged, investigated and responded to as per the Standard Operating Procedures.

1 What percentage of customer complaints/consumer cases are pending as on the end of financial year.

No Complaints are pending for the FY 2018-19

2 Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

The Company is in the business of manufacturing pellets from Iron Ore Fines. The shipment of the product happens in bulk and no specific product label over and above what is mandated as per the local law is displayed.

3 Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

During last five years there are no cases filed with regard to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

KIOCL has a well structured and defined process in place to carry out customer satisfaction survey. The survey is carried out twice a year and trend is prepared based on the survey. As per survey conducted for FY 2018-19, KIOCL has achieved "**very much satisfied**" ratings from its Customers.

ANNEXURE TO BOARD'S REPORT

DECLARATION AS REQUIRED UNDER REGULATION 26(3) READ WITH PART-D OF SCHEDULE-V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

(COMPLIANCE WITH CODE OF CONDUCT)

In Compliance to Regulation 17 (5) & 26 (3) read with Part-D of Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Members of the Board and senior management personnel have affirmed compliance with the Code of Conduct for the year ended 31st March 2019.

Sd/-

(MV Subba Rao)

Chairman-cum-Managing Director

Place : Bengaluru

Date : 23/05/2019