

Kewal Engineering Private Limited

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CORPORATE SOCIAL RESPONSIBILITY POLICY

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1. INTRODUCTION:

This Corporate Social Responsibility Policy ("the CSR Policy") has been framed and adopted by Kewal Engineering Private Limited (the Company) hereinafter referred to as KEPL in accordance with Section 135, Schedule VII of the Companies Act, 2013 and CSR Rules issued by the Ministry of Corporate Affairs on February 27, 2014.

Unless the context otherwise requires, the definitions mentioned in the notification dated February 27, 2014, and the Companies Act, 2013 shall apply to this CSR Policy. The Board may review and amend this policy from time to time subject to the recommendations of the Corporate Social Responsibility Committee.

The Companies Act, 2013 (hereinafter referred to as 'the Act'), mandate to undertake CSR project if the following conditions are fulfilled in any financial year:

- Net worth of at least Rs. 500 Crore;
- Turnover of at least Rs. 1,000 Crore;
- Net profits (before tax) of at least Rs. 5 Crore

Any company meeting any of the above-said conditions is required to constitute a Corporate Social Responsibility Committee to effectively monitor the CSR activities of a Company. Further, the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as "CSR Rules") lay down the framework and modalities of carrying out CSR activities which are specified in Schedule VII of the Companies Act, 2013.

2. POLICY OBJECTIVE & COMPANY PHILOSOPHY:

The main objective of CSR Policy is to lay down guidelines for Corporate Social Responsibility activities. KEPL is much positive and appreciates the decision taken by the Government of India on mandatory and self-regulated implementation of CSR. The legal framework of CSR is an edge to Corporate Charitable /reformative approach towards the Society to which the Corporate is belonging to. By introducing the separate section for CSR in the Companies Act, 2013, the Government has given legal recognition to their community development approach.

The management of KEPL expresses its willingness and support to the CSR concept, its legal framework and shall be abided by it.

3. DEFINITIONS:

- 3.1 "ACT"** means the Companies Act 2013 and rules thereunder.
- 3.2 "BOARD OF DIRECTOR" OR "BOARD"** means the Board of Directors of the Company, as constituted from time to time.
- 3.3 "COMPANY"** means the Company incorporated under the Companies Act, 2013 or under any previous company law.
- 3.4 "CSR PROGRAMMES"** means Programmers, projects, and activities carried out in this regard are the subject matter of this Policy.
- 3.5 "CORPORATE SOCIAL RESPONSIBILITY COMMITTEE OR COMMITTEE"** means CSR Committee constituted by the Board of Directors of the Company, from time to time.
- 3.6 "INDEPENDENT DIRECTOR"** means a Director of the Company, not being a whole-

time director and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence under the Companies Act, 2013.

3.7 "NET PROFIT" means the net profit of a Company as per its financial statement, but shall not include the following:

- i any profit arising from any overseas branch or branches of the Company whether operated as a separate Company or otherwise; and
- ii any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act.

3.8 "POLICY" means Corporate Social Responsibility.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013 or any other applicable regulation.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE):

The Company has constituted CSR Committee ("the Committee") comprising of following two Directors:

- i. Shri. Rajiv Chawla Member (Managing Director)
- ii. Smt. Anita Chawla Member (Director)

The Board of Directors may re-constitute the Committee, as and when required to do so, by following the sections, sub-sections, rules, regulations, notifications issued or to be issued, from time to time, by the Ministry of Corporate Affairs or the Central Government of India. The Committee shall exercise powers and perform the functions assigned to it by the Board of Directors of the Company according to section 135 of the Act and CSR Rules notified with regard thereto. The composition of the CSR Committee is required to be disclosed in the Board's report prepared under the Act.

5. TERMS OF REFERENCE FOR THE CSR COMMITTEE:-

5.1 CONSTITUTION:-

The Committee has been established by Resolution of the Board of directors of the Company dated 4th September 2021 ("the Board").

5.2 MEMBERSHIP:

- i. The Members of the CSR Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist of at least two members.
- ii. The Board shall appoint a chairman of the CSR Committee (the "Chairman") and shall decide his or her period of office.
- iii. The CST committee members may choose to form sub-committees for planning, executions, and reporting of various CSR activities.
- iv. The CSR activities shall be undertaken by the Company, as per herein stated CSR Policy, as projects or programs or activities excluding activities undertaken in pursuance of its normal course of the Company's business.

5.3 NOTICE:

The notice of committee meeting be sent to the committee members by giving not less than seven days' notice in writing to every member at his address registered with the Company and such notice shall be sent by hand delivery or by post or by

electronic means. A meeting of the CSR Committee may be called at shorter notice to transact urgent business subject to the condition that all the directors shall be present at the meeting. The CSR meetings at the discretion of the members may be held through video conferencing or other audio-visual means.

5.4 QUORUM:

A Quorum shall be two members. A duly convened meeting of the CSR Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretions vested in or exercisable by the CSR Committee.

5.5 ATTENDANCE AT MEETINGS:

No one other than the CSR committee Chairman and other members is entitled to be present or vote at a meeting of the CSR Committee.

5.6 FREQUENCY OF MEETINGS:

Meetings shall be held at such times at the CSR Committee deems appropriate, and in any event, shall be held not less than twice a year.

5.7 PROCEEDINGS:

- i. Minutes for meetings of each of the committees of the Board shall be maintained in a distinct minute book.
- ii. The minutes of proceedings of each meeting shall be entered in the books maintained for that purpose along with the date of such entry within thirty days of the conclusion of the meeting.
- iii. Each page of minutes of proceedings of a meeting of the Board committee is required to be initialed /signed by the chairman of the said meeting or the chairman of the next succeeding meeting. Similarly, the last page of the record of proceedings of each meeting is to be dated and signed by the chairman of the said meeting or the chairman of the next succeeding meeting.
- iv. The minutes shall also contain the names of the directors present at the meeting; and in the case of each resolution passed at the meeting, the names of the directors, if any, dissenting from, or not concurring with the resolution.
- v. A resolution passed by circulation by the majority of committee members under section 175 shall be noted at a subsequent meeting of the committee and be made part of the minutes of such subsequent meeting.
- vi. The minutes' books of the Board and committee meetings shall be preserved permanently and kept in the custody of the Managing director and shall be kept in the registered office of the Company or at such other place in India as the Board of Directors may decide under section 128 of the Act.

5.8 CSR ACTIVITIES:

- i. Eradicating hunger, poverty, and malnutrition, promoting preventive health care and sanitation, and making available safe drinking water.

- ii. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
- iii. promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, daycare centers, and such other facilities for senior citizens, and measures for reducing inequalities faced by socially and economically backward groups.
- iv. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, and maintaining the quality of soil, air, and water.
- v. 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 and handicrafts.
- vi. measures for the benefit of armed forces veterans, war widows, and their dependents.
- vii. training to promote rural sports, nationally recognized sports, paralympic sports, and Olympic sports.
- viii. Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities, and women.
- ix. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
- x. Rural development projects.
- xi. Such other activities fall within the definition of 'CSR Activities' as per the provision of the Companies Act, 2013 and rules made thereunder.

While choosing the various CSR activities as per Sl. No 5.8, The company may choose to give preference to local areas around where it operates its business.

5.9 BUDGET FOR CSR ACTIVITY & CSR EXPENSES:

- i. The Company shall allocate the budget for CSR activities. The minimum budgeted amount for a financial year shall be 2% of the average net profit of three immediately preceding financial years.
- ii. The Company may allocate more funds/amounts than the amount prescribed under section 135 of the Companies Act, 2013, for the CSR activities for any financial year.
- iii. The Committee shall calculate the total fund for the CSR activities and recommend it to the Board for approval. The Board shall approve the total fund to be utilized for CSR activity for the respective financial year.
- iv. CSR expenditure shall include all expenditure including contribution to the corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities that fall within the approved CSR

activities.

- v. The surplus arising out of CSR projects or programs or activities shall not form part of the business profit of KEPL.

5.10 IMPLEMENTATION PROCESS:

After prioritizing the activities, the Committee shall finalize the detailed implementation project/program, including planning for expenses against the total budget allocated for CSR activities.

5.11 MONITORING BY THE BOARD:

The Board of Directors shall constantly monitor the implementation of the CSR activities. The CSR Committee shall place a progress report, including details of expenses, before the Board quarterly. The Board shall review the same and suggest recommendations, if any, to the committee about the implementation process.

5.12 MANAGEMENT COMMITMENT:

Our Board of Directors, our Management, and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR Policy. Our CSR Policy conforms to the relevant section of the CSR, Rules made under Companies Act, 2013, and amendment(s) to be made thereto in future.

6. REPORTING:

The Board's Report under sub-section (3) of section 134 shall disclose the composition of the CSR Committee

7. POLICY REVIEW & FUTURE AMENDMENT

The Committee shall annually review its CSR Policy from time to time and make suitable changes as may be required and submit the same for the approval of the Board.

8. DISCLOSURES:

The contents of the approved CSR Policy shall be disclosed in the Board's Report and displayed on the Company's website if any.
