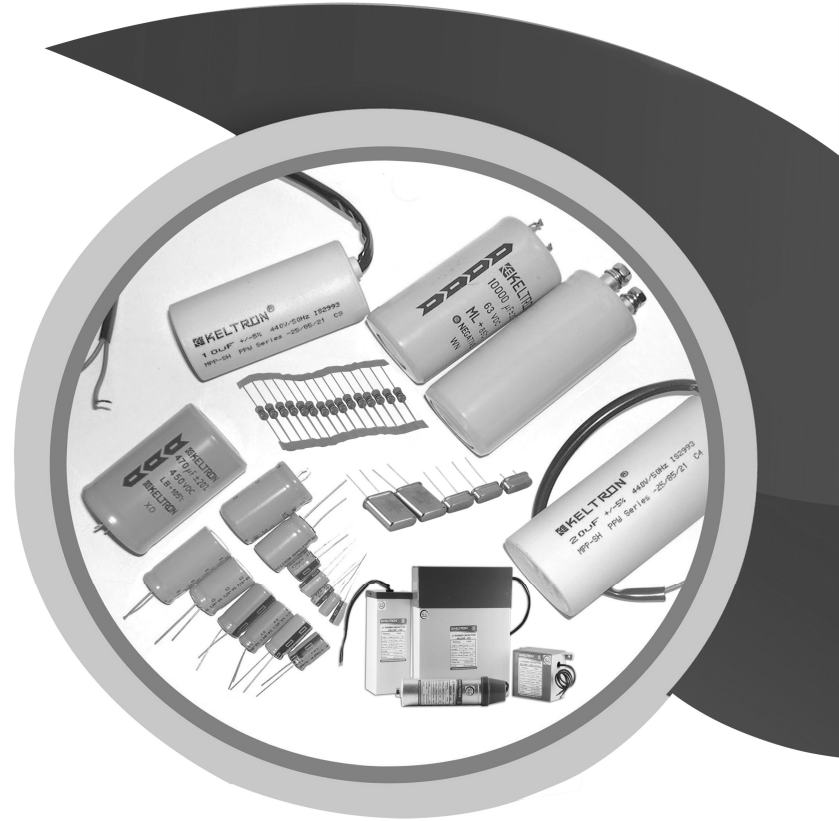




A GOVERNMENT OF KERALA UNDERTAKING

KELTRON COMPONENT COMPLEX LTD KANNUR



CORPORATE SOCIAL RESPONSIBILITY CSR POLICY

2024



KELTRON COMPONENT COMPLEX LTD

DOC. No: KCCL/CSR/01

**CORPORATE SOCIAL RESPONSIBILITY
[CSR]
POLICY**

2024

[Recommended by the 1st CSR Committee meeting & Approved by the 240th Board Meeting Held on 23rd Jan , 2025.]

KELTRON COMPONENT COMPLEX LTD.

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EXECUTIVE SUMMARY

The Board of Directors of Keltron Component Complex Limited (herein after referred as KCCL) up on the recommendation of the CSR committee of the company has adopted the following policy and procedures with regard to the Company's Corporate Social Responsibility.

PREAMBLE

This CSR policy will form as a master guide to the implementation of the social responsibility measures of the company. Even though drafted, formulated and adopted for complying with the relevant provisions of the Companies Act 2013, the policy denotes the direction of the company towards CSR, and does not strictly confine only for statutory compliance, but rather, is a part of the company governance culture.

KCCL CSR

The company strongly believes that the contribution to the society at large is one of the main goals and priority, wherein development of society is focused in every walk. Most of the company's products and services are society centric, and the Board of Directors through its CSR committee is committed to implement the CSR initiatives in true letter and spirit.

For KCCL, corporate social responsibility is “delivering quality products, services, adopting best governance practices, resulting in giving positive contribution to the society at large and serving needy people through our CSR initiatives.”

POLICY OBJECTIVE

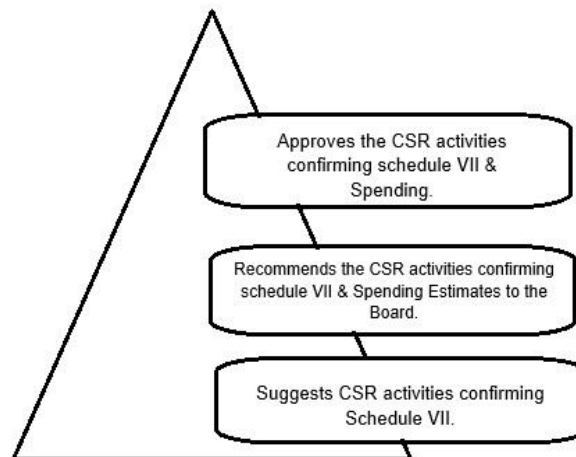
The objective of this policy is to set a guiding principle for the company's CSR activities. This policy will give a road map of implementation and monitoring of company's CSR projects.

ROLE OF CSR COMMITTEE

The Board of directors of the company has constituted a CSR Committee (a sub-committee of the Board consisting members of the Board). The functions of the committee are:

- a) Recommend the CSR Policy to the Board
- b) Identify the projects/activities to be undertaken by the Company for CSR
- c) Recommend to the Board CSR Activities in conformity to the Schedule VII to be undertaken along with detailed plan, modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities
- d) Monitor the CSR policy of the company from time to time
- e) Ensure compliance of CSR Policy and the Rules
- f) Such other functions as may be delegated and/or assigned by the Board from time to time

KCCL CSR IMPLEMENTATION PROCESS



GUIDING SOURCE OF LAW

The basis of KCCL CSR policy and implementation of CSR activities is in line with the provisions relating to Section 135 of Companies Act 2013, and Companies (Corporate Social Responsibility Policy) Rules, 2014, Schedule VII of Companies Act 2013 and MCA General Circular No.21/2014 dated 18th June, 2014 notified by the Ministry of Corporate Affairs (MCA), Government of India.

GUIDING PRINCIPLES

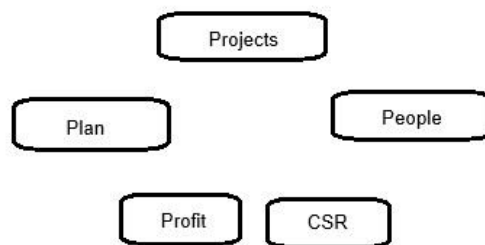
- The company shall strive to spend at least 2% of average of previous three years net profit (and variable as per the law);
- Give preference to local areas and areas around in which the company / divisions / units / branches operates;
- The CSR activities shall relate to or falling under Schedule VII of Companies Act 2013;
- The CSR activities shall be properly monitored;
- The Board report to shareholders shall include an annual report on company's CSR initiatives;
- All CSR activities shall be in line with this policy;
- The company may either continue the existing CSR activities or commence new one;
- CSR activities shall not include any activity which is done in the normal course of business;
- The company may collaborate with other PSU / Govt companies for carrying out CSR activities.

CSR ACTIVITIES - FOCUS SECTORS PROPOSED

The company proposes to focus on the following sectors (but not limited to):

- Energy Saving initiatives (not in the ordinary course of business) through installing/ supplying LED lights/ through SOLAR panels/ power plants
- Conservation of natural resources and maintaining quality of soil, air and water.
- Ensuring environmental sustainability including maintaining quality of soil, air and water
- Protection of national heritage, art and culture including setting up public libraries
- Skill Development initiatives
- Such other areas as the CSR Board Committee may recommend

CSR Model



CSR ACTIVITIES PROPOSED, IN CONFIRMITY WITH
SCHEDULE VII OF COMPANIES ACT 2013

- a) Eradicating hunger, poverty and malnutrition, promoting health care, including preventive health care and sanitation (amended on 24.10.2014 including contribution to the Swachh Bharat Kosh) and making available safe drinking water;
- b) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- c) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- d) 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 (amended on 24.10.2014 including Clean Ganga Fund);
- e) 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 arts and handicrafts;
- f) Measures for the benefit of armed forces veterans, war widows and their dependents;
- g) Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- h) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

- i) Contributions or funds to technology incubators located within academic institutions which are approved by the Central Government;
- j) Rural development projects.

The Company may with the recommendation of the CSR Board committee, and with the approval of the Board of Directors, undertake any CSR activities confirming to the above entries, and can interpret the entries above liberally in compliance with the Ministry Of Corporate Affairs, General Circular No.21/2014 dated 14th June 2014.

MONITORING & REPORTING

As per Section 135(5)(c), the CSR Committee shall monitor the CSR Policy of the company from time to time. The Board shall approve the CSR Policy and place the contents of the same in the Board's Report by way of "Annual Report on CSR" and also place the same in the company's website as per Section 135(4)(a) read with Rule 8 of Companies (CSR Policy) Rules 2014.

QUANTUM OF AMOUNT SPENDING

The company shall strive to spend at least 2% of average of previous three years net profit (or such other % as prescribed by the law), and any surplus arising and/ or additional revenue generated out of CSR Activities undertaken by the Company shall not form part of the business profit of the Company and same shall be spent for undertaking any CSR Activities only.

The Company shall not make any payment directly or indirectly to Political Party (ies) for CSR Activities.

KCCL COMMITMENT:

We believe and act on an ethos of generosity and compassion towards the society. Our commitment:



Keltron Component Complex Limited is committed to be a “responsible corporate citizen”..!

KELTRON

KANNUR

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