

## **Corporate Social Responsibility (CSR) Policy**

### **1. Introduction**

Kshema Power recognizes that sustainable business growth must go hand in hand with social development and environmental responsibility. As an EPC company operating in the power and infrastructure sector, we are committed to contributing positively to society by undertaking Corporate Social Responsibility (CSR) activities in line with the Companies Act, 2013 and its rules. This CSR Policy outlines the philosophy, objectives, governance framework, and implementation approach for CSR initiatives undertaken by Kshema Power.

### **2. Objective of the Policy**

The objectives of Kshema Power's CSR Policy are to:

- Promote inclusive growth and community development
- Support education, skill development, and employability
- Improve health, sanitation, and quality of life
- Contribute to environmental sustainability
- Align CSR initiatives with national priorities and local community needs
- Ensure compliance with statutory CSR requirements under Indian law

### **3. Applicability**

This policy applies to Kshema Power and all its CSR initiatives undertaken in India, as prescribed under **Section 135 of the Companies Act, 2013** and Schedule VII.

### **4. CSR Governance Structure**

#### **4.1 CSR Committee**

The Board of Directors shall constitute a CSR Committee as required under the Companies Act, 2013. The CSR Committee shall:

- Formulate and recommend the CSR Policy
- Recommend CSR projects and expenditure
- Monitor the progress of CSR activities
- Ensure effective implementation and reporting

#### **4.2 Board of Directors**

The Board shall:

- Approve the CSR Policy
- Ensure that CSR activities are undertaken as approved
- Monitor overall CSR performance
- Ensure disclosure of CSR activities in statutory reports

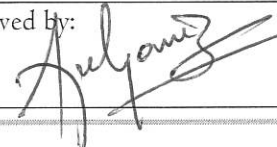
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### 5. CSR Focus Areas

Kshema Power shall undertake CSR activities in alignment with **Schedule VII of the Companies Act, 2013**, with focus on areas relevant to an EPC and power sector company, including:

#### a) Education & Skill Development

Scholarships and educational support  
Skill training programs for youth and underprivileged sections  
Vocational training related to electrical, mechanical, and construction trades

#### b) Health, Sanitation & Nutrition

Healthcare camps and preventive healthcare initiatives  
Sanitation, drinking water, and hygiene projects  
Support for nutrition and maternal health programs

#### c) Environmental Sustainability

Renewable energy awareness  
Tree plantation and afforestation  
Water conservation and waste management projects  
Reduction of environmental impact in project locations

#### d) Rural & Community Development

Infrastructure development in villages near project sites  
Support for livelihoods and self-help groups  
Community welfare programs

#### e) Disaster Relief & Emergency Support

Assistance during natural disasters  
Support for rehabilitation and relief activities

### 6. CSR Budget & Expenditure

Kshema Power shall allocate CSR funds in accordance with the statutory requirement of **2% of the average net profits of the preceding three financial years**, as applicable.

The CSR Committee shall recommend the annual CSR budget.

Unspent amounts shall be treated in accordance with applicable legal provisions.

### 7. Mode of Implementation

CSR activities may be implemented through:

Direct implementation by Kshema Power  
Registered NGOs or trust partners  
Government or semi-government agencies  
Collaborative projects with other organizations  
All implementing partners shall meet statutory eligibility criteria.

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**INTEGRATED MANAGEMENT SYSTEM- CSR POLICY**

ISO 9001:2015, ISO 14001:2015 & ISO 45001: 2018

**8. Monitoring & Reporting**

CSR projects shall be monitored periodically by the CSR Committee  
Key performance indicators (KPIs) and outcome assessments shall be used  
Reports shall be placed before the Board periodically  
Statutory disclosures shall be made in the Annual Report and company website, as applicable

**9. Impact Assessment**

Where applicable, impact assessment of CSR projects shall be carried out as per Companies Act rules to evaluate effectiveness and social impact.

**10. Transparency & Ethics**

Kshema Power shall ensure:  
Ethical conduct in CSR activities  
Transparency in fund utilization  
Proper documentation and audit trails  
No political or religious bias in CSR initiatives

**11. Policy Review & Amendment**

This policy shall be reviewed periodically by the CSR Committee and may be amended with approval of the Board of Directors to meet regulatory changes or business requirements.

**12. Effective Date**

This CSR Policy shall come into effect from the date of approval by the Board of Directors of Kshema Power.

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