Kach Motors

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. INTRODUCTION

KACH MOTORS PRIVATE LIMITED ("the Company") is committed to environmental sustainability, socio-economic empowerment of underprivileged communities, social development and equity through gender empowerment. Our CSR policy framework is developed to assist the Company in undertaking well-planned initiatives that are participatory, outcome-oriented and measurable, with the overall objective of creating sustainable impact.

2. PURPOSE

The Company's Corporate Social Responsibility (CSR) Policy has been developed in accordance with provisions of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as the "Rules") as amended from time to time. This Policy shall apply to all CSR projects/programmes undertaken by the Company as per Schedule VII of the Act.

3. OBJECTIVE OF CSR POLICY

Objectives of this CSR Policy are to define the framework for undertaking CSR activities for achieving the CSR objectives of the Company and to lay down the guiding principles with respect to the following:

- Identification of CSR Projects
- Mode and manner of implementation of the CSR Projects
- Formulation of an Annual Action Plan
- CSR Spend
- Manner of monitoring Mechanism of the CSR spend with respect to the CSR Projects undertaken by the Company

4. ACTIVITIES UNDER CORPORATE SOCIAL RESPONSIBILITY

The Company would endeavour to adopt an integrated approach to address the community, societal and environmental concerns by taking up a range of the following

activities, which shall be taken up strategically, in a focused manner to the extent possible and allowed as per Section 135 of the Companies Act, 2013 and the applicable rules and regulations as may be prescribed in this regard, including any modification (s) thereof.

ACTIVITIES TO BE UNDERTEKEN

CSR activities will include the following activities relating to:

(i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.

(ii) Promotion of education, including special education and employment enhancing vocational 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, day care centres 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 quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.

(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 art and handicrafts;

(vi) Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

(vii) Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports;

(viii) Contribution to the Prime Minister's National Relief Fund or Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;

(ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic

Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

(x) Rural development projects;

(xi) Slum area development;
[the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.]

(xii) Disaster management, including relief, rehabilitation and reconstruction activities;

(xiii) Such other matters as may be prescribed by the Central Government and approved by the Board of Directors, as the case may be.

The surplus if any arising out of the CSR projects or programmes or activities shall not form part of the business profit of the company.

ACTIVITIES PROHIBITED UNDER CSR

The Company will abstain from carrying out the following activities under CSR that may create dissatisfaction in any section of the Society:

(i) Activities concerned with religion like construction of temple/mosque etc.

(ii) Activities disturbing social harmony in any manner.

(iii) Activities exclusively for the benefit of employees of the company or their family members

Such other activities as may be prohibited by Central Government.

5. CSR COMMITTEE:

Pursuant to Section 135(9) of the Companies Act, where the amount to be spent by a company under sub-section (5) of Section 135 does not exceed Rupees fifty lakh, the requirement under sub-section (1) of Section 135 of the Companies Act 2013, constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company. However, if CSR amount is exceeding Rs. 50 Lacs in that Board shall constitute the Committee of CSR which looks after the monitor the implementation of the CSR Policy and CSR Plan. At present Company is not required to constitute any CSR Committee as CSR amount is less than Rs. 50 Lacs.

6. BUDGET FOR CSR ACTIVITY AND CSR EXPENSES

(i) The Board of Directors shall ensure that at least 2% of the average net profit made during the three immediately preceding financial years spent on CSR activities / programs. The computation of average net profits shall be in accordance with the Act.

(ii) The Annual CSR Budget plan and any modification in plan will be approved by the Board of Directors of the Company before undertaking any CSR spend.

(iii) Any surplus arising out of the CSR activities and programmes shall not form a part of the business profits and shall be utilized for CSR activities in accordance with the Act However, this spend shall not be considered for calculating the minimum 2% CSR spend as required under the Act.

(iv) Subject to the provisions of the Act, CSR spend in excess of the statutory requirement, may be set off against the requirement to spend towards CSR activities for the subsequent years with the approval of the Board.

(v) The unspent CSR amount, if any, shall be transferred by the Company to any fund included in schedule VII of the Act (until a fund is specified in Schedule VII of the Act).

7. IDENTIFICATION OF CSR ACTIVITIES/PROJECTS

The Board shall decide which activity/project should be given priority for the respective financial year. While arriving at the decision of the activity to be undertaken for the respective year, the Board shall analyse the basic need of the community/ area in which the Organisation operates or at the place where its registered/corporate office is situated. The Board shall record its findings and prioritised the CSR activities.

8. IMPLEMENTATION MECHANISM

The CSR activities and programmes shall be undertaken directly or through Section 8 Company/ Registered Public Trust/ Registered Society registered under Sec 12A and 80G of the Income Tax Act, 1961 established by any of the following and having CSR Registration Number allotted by the Ministry of Corporate Affairs:

- Company singly or along with any other company
- Central or state Govt
- Any third party provided that the said entity has a track record of minimum 3 years in undertaking similar activities
- Any entity established by an Act of Parliament or state legislatures

9. MONITORING AND EVALUATION

The Board shall be responsible for the overall monitoring of the Corporate Social Responsibility Policy of the Company. The Board of the Company shall be empowered to approve the amendments that need to be made in the CSR Policy on account of the regulatory changes or for business / administrative purposes, during the course of the business on account of any exigencies to meet the objectives of this Policy, provided that

such changes are placed before the Board in its ensuing meeting for ratifications. Further regular update on the CSR initiatives undertaken and/ or to be undertaken shall be given to the Board of Directors. The Board shall draw a time frame from the date of initiation. In case of any delay noticed while monitoring the CSR initiatives, remedial measures shall be taken for timely completion of the Project.

10. ALLOCATION OF FUNDS

A total allocation of amount as prescribed by the Companies Act, 2013 and approved by the Board will be earmarked every year for implementation of CSR programmes. The disbursal of funds on CSR activities shall be submitted to the Board as a part of the review along with the details of how the funds have been utilized, which shall be certified by the Company's Director.

11. REPORTING AND DISPLAY OF CSR ACTIVITIES

(i) The Board's Report of the Company shall include an Annual Report on CSR containing particulars as specified in the applicable annexure of the Companies (CSR Policy) Amendment Rules, 2021

(ii) Impact assessment, if and when mandated, will be undertaken by an independent agency and such impact assessment report shall be placed before the Board and annexed to the annual report of CSR.

(iii) The composition of CSR Committee if any, and CSR Policy and Projects approved by the Board will be displayed on the company's website, for public access.

12. REVIEW

The Board shall review the Policy periodically. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Companies Act, 2013, rules and regulations as may be prescribed by the Central Government, from time to time.

Note: The above said policy was adopted by the Board of Directors at their meeting held on 24th July, 2023 and shall become applicable w.e.f. 24th July, 2023.