

Quality Power Electrical Equipments Limited

Corporate Social Responsibility (CSR) Policy

A. Purpose

Section 135 of the Companies Act, 2013 lays down the provisions relating to Corporate Social Responsibility. As the Company falls within the parameters prescribed under the section and Rules, it has followed the norms laid down thereunder.

B. The CSR Policy (Scope):

The CSR Policy will cover the following focus area which the Company will undertake through its various initiatives:

1. Health including Preventive Healthcare
2. Education
3. Community Development
4. Sports
5. Natural Calamities
6. All other areas given in the schedule VII as per Companies Act 2013 or any amendment or modification there or to Section 135 and the CSR Rules 2014.

The following parameters should be observed while considering the activities of the Company:

1. Need of the society
2. Social Impact
3. Visibility to the Company
4. Employee Engagement
5. Duration of the project/activity

In addition to the above focus areas company, would also like to undertake the following activities to achieve the above:

- a. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation 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 centres 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, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;

- 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 provided to technology incubators located within academic institutions which are approved by the Central Government;
- j. Rural development projects.

And all other activities and projects (ongoing and other than ongoing projects) as prescribed under section 135 read with rules and Schedule VII of the Companies Act 2013 as amended from time to time.

C. Corporate Social Responsibility (CSR) Committee:

The CSR Committee was formed on 22nd November, 2014. The Company has re-constituted a Corporate Social Responsibility Committee pursuant to resolution of the Board dated 15th March 2024 as per the requirements of Section 135 of the Companies Act, 2013 and last re-constituted on June 20, 2024:

Following is the present composition of the CSR Committee:

Sr. No	Name of Director	Designation	Position in the Committee
1	Sadayandi Ramesh	Independent Director	Chairman
2	Pournima Kulkarni	Independent Director	Member
3	Chitra Pandyan	Whole time Director	Member
4	Rajendra Sheshadri Iyer	Independent Director	Member

Terms of Reference of the CSR Committee:

- a. formulating and recommending to the Board, the policy on corporate social responsibility (“CSR”, and such policy, the “CSR Policy”), indicating the CSR activities to be undertaken as specified in Schedule VII of the Companies Act;
- b. identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;

- c. recommending the amount of expenditure to be incurred on the CSR activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
- d. formulating the annual action plan of the Company;
- e. delegating responsibilities to the CSR team and supervising proper execution of all delegated responsibilities.
- f. monitoring the CSR Policy and CSR programmes and their implementation by the Company from time to time and issuing necessary directions as required for proper implementation and timely completion of CSR programmes; and
- g. performing such other activities as may be delegated by the Board and/or prescribed under any law to be attended to by the Corporate Social Responsibility Committee.”

D. Meetings of the CSR Committee

The CSR Committee would meet as and when required.

E. Quorum of the CSR Committee meetings

The quorum of the CSR Committee meeting would be two persons present for the meeting.

F. Assistance of the NGOs / Institutes

The Company should seek assistance and involve ‘Trusts’ in accomplishing the various projects under its focus area wherever possible.

However, the Company may also seek expertise and assistance of the Non-Government Organisations (NGOs) and the social institutes as and when it deems appropriate to accomplish the projects under its focus areas.

The selection of the NGOs / institutes will be made by the CSR Committee based on the following broad guidelines:

- a. Registration status
- b. Managing Body and its background
- c. Track record in the social field
- d. Potential to execute the projects
- e. Volunteers available with them
- f. Subject matter expertise
- g. Current audited financial position
- h. Any such criteria the CSR Committee thinks appropriate

The CSR Committee will have authority to grant exemption to any of the institutes from the above list of pre-requisites in case it thinks appropriate.

G. Amount of Expenditure to be made on CSR activities

In terms of Section 135 of the Companies Act, 2013, applicable rules and the CSR Policy of the Company, the Board or Committee, shall ensure that the Company spends, in every Financial Year, at least 2% of the Average Net Profits of the Company made during the 3 (Three) immediately preceding Financial Year. Any amendment thereto to be carried out as per Act.

For the purposes of this section “Average Net Profits” have been calculated in accordance with the provisions of Section 198 of the Companies Act, 2013.

H. Monitoring

The CSR Committee should monitor the operation, working, quality and spending under CSR Policy. It should further define the parameters and should observe them for effective discharge of the social responsibility of the company.

I. Delegation of activities by the CSR Committee

The CSR Committee may appoint / entrust certain persons to whom selected activities of the CSR Committee could be delegated.

The status of delegated activities should be periodically monitored and reviewed by the CSR Committee.