KRYSTAL
Global Engineering Ltd
"Quality First ..... Customer Always"

CORPORATE SOCIAL RESPONSIBILITY POLICY

(This document intends to lay down framework for CSR activities at KGEL in accordance with regulatory and legislative requirement prescribed under the Companies Act, 2013)

Reference details of CSR Policy Approval		
Version	**Date of Approval**	**Approved By**
Original	26/06/2023	Board of Directors

Corporate Identity Number: U27109MH2006PLC165777
Registered Office: D3, 4th Floor, Plot-33/35, Hermes House, Mama Parmanand Marg, Opera House, Gir gaon, Mumbai - 400004, Maharashtra, India, Telephone: +91 72290 42481, Web: https://www.krystalgeltd.com

1. PREAMBLE:

Krystal Global Engineering Limited **("Company")** has formulated the Corporate Social Responsibility Policy in compliance with Section 135 of the Companies Act, 2013 **("the Act")** read with relevant rules and Schedule VII of the Companies Act, 2013.

The Company recognize that our role as a responsible corporate citizen extends beyond business performance and statutory obligations. We are deeply committed to contributing meaningfully to the social, economic, and environmental development of the communities in which we operate.

Our CSR philosophy is rooted in the belief that sustainable growth must be inclusive and interdependent. The Company view CSR as a strategic and moral responsibility to foster long-term positive impact. This policy is a formal expression of that commitment.

It shall apply to all CSR Projects/ Programs undertaken by the Company as per liberal interpretation of activities listed in Schedule VII of the Act, within the geographical limits of India, preferably towards the benefits of marginalized, disadvantaged, poor and deprived sections of the community and the sustainable environment. Capitalized terms used in this Policy and not defined herein shall have the meaning as ascribed to them under the Act.

2. OBJECTIVE:

(i) The main objective of the CSR Policy is to lay down guidelines for KRYSTAL GLOBAL ENGINEERING LIMITED to make CSR as one of the key focus areas to adhere to Company's interest in health, environment and society that focuses on making a positive contribution to society through effective impact and sustainable development programs.

(ii) This Policy covers the proposed CSR activities to be undertaken by the Company and ensuring that they are in line with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only and includes strategy that defines plans for future CSR activities.

3. VISION:

As a responsible corporate citizen, promote sustainable and inclusive development.

4. NEED, SCOPE AND COVERAGE:

The Ministry of Corporate Affairs ("MCA"), Government of India had notified Section 135 being provision relating to CSR with effect from 1st April, 2014 and also notified rules namely the Companies (Corporate Social Responsibility Policy) Rules, 2014 which came into effect from the said date. Since the Company falls under the criteria provided under Section 135(1) of the Act, it is required to comply with the provisions relating to CSR. The Act requires the Company to spend at least 2% of the "average net profit" made during 3 immediately preceding financial year on CSR activities as per CSR Policy.

The CSR activities of the Company shall include, but not limited to any or all of the sectors/activities as may be prescribed by Schedule VII of the Act amended from time to time. Further, the Company shall review the sectors/activities from time to time and make additions/ deletions/ clarifications to the above sectors/activities.

5. DEFINITIONS:

"Company" means Krystal Global Engineering Limited or "KGEL".

"Act" means The Companies Act, 2013 and includes the Companies (Corporate Social Responsibility Policy) Rules, 2014 and all other applicable rules and any statutory modifications, re-enactment thereof.

"Administrative overheads" means the expenses incurred by the company for 'general management and administration' of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programs;

"Board" means the Board of Directors of the Company.

"Corporate Social Responsibility" CSR means the activities undertaken by a Company in pursuance of its statutory obligation laid down in Section 135 of the Act in accordance with the provisions contained in Companies (CSR Policy) Amendment Rules, 2021.

"CSR Committee" means the Corporate Social Responsibility committee constituted under Section 135(1) of the Act.

"**International Organization**" means an organization notified by the Central Government as an international organization under section 3 of the United Nations (Privileges and Immunities) Act, 1947 (46 of 1947), to which the provisions of the Schedule to the said Act apply;

"Net Profit/Profit" refers to the average net profits of the Company, calculated in the manner as provided under Section 198 of the Act.

"Public Authority" means 'Public Authority' as defined in clause (h) of section 2 of the Right to Information Act, 2005

6. CONSTITUTION & SCOPE OF THE CSR COMMITTEE*:

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Company shall constitute a Corporate Social Responsibility (CSR) Committee of Directors as and when applicable or required under the provisions of the Act and the rules made thereunder, as amended from time to time.

Until the constitution of the CSR Committee becomes applicable or required, the responsibilities relating to CSR shall be undertaken by the Board of Directors of the Company, to the extent permitted under the applicable provisions of the Act.

7. CSR OPPORTUNITIES:

In accordance with Schedule VII to the Act, any activity relating to the following sectors / areas shall be included by the Company in its Annual Action Plan towards discharge of its CSR Obligations:

(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) 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, 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 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)

(x) 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

(xi) 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 Organization (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);

(xii) Rural development projects;

(xiii) Slum area development.

(xiv) disaster management, including relief, rehabilitation and reconstruction activities

Further, the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities.

In the event where the Company makes any surplus or profit from pursuing its CSR projects/ programs, these will not form part of the business profit (but will, instead, be carried forward to the following year/s as part of either the CSR corpus or as a supplement to the CSR budget.

For all contributions received from other companies/sources towards the CSR Corpus/Budget, the Company will claim CSR expenditure only for funds that are provided from its own resources.

8. FOCUS AREAS AND GOALS:

In accordance with requirements of the Act, Company's CSR activities, amongst others, will focus on all the areas as prescribed under Schedule VII of the Act.

9. RESOURCES AND CSR BUDGET:

To achieve the above goals, the Company shall allocate funds at 2 percent of the average net profits of the Company made during the three immediately preceding financial years, as prescribed under Section 135 of the Actor under any applicable rules made thereunder, as its annual CSR Budget. The surplus arising out of the CSR activities if any, shall be re-invested into CSR initiative only, and shall not form the part of business profit. And such surplus shall be in addition to funds allocated by the Company every year for the annual CSR budget. Further, the Unspent CSR amount, if any, shall be transferred by the Company to the fund specified under Schedule VII of the Act.

10. IMPLEMENTATION:

The Company will implement its CSR activities in accordance with Section 135 of the Act and rules notified thereunder. The Company may undertake and/or initiate CSR activities by setting up registered Trust/ Societies/ Company under Section 8 of the Actor established by the Central Government or State Government or any entity established under an Act of Parliament or a State legislature.

The Company may also conduct/implement its CSR programs through registered public Trusts, registered Societies registered under section 12A and 80G of the Income Tax Act, 1961, or Section 8 Companies operating in India in respect of which Form CSR 1 is filed with ROC, which are not set up by the Company itself. Such spends may be included as part of its prescribed CSR spend only if such organizations are registered and have an established track record of at least three years in carrying on activities in related areas. Further, the Company may donate funds to registered trust/society/ Section 8 Company- Companies with Charitable Objects etc., where it is created exclusively for undertaking CSR activities or where the corpus is created exclusively for a purpose directly relatable to a subject covered in schedule VII of the Act.

It may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the respective companies are in a position to report separately on such projects or programs in accordance with these rules.

11. MONITORING:

It will be the responsibility of the CSR Committee of the Company, to monitor periodically the implementation of the projects/programs /activities under this CSR policy. The Board of Directors will monitor and review the progress of CSR activities undertaken/ completed. Project selection and progress of projects will additionally be reviewed by the CSR committee on a regular interval. The CSR Committee shall also have powers to ratify any CSR related expenditure incurred by the Company on the areas/activities as per schedule VII of the Act.

12. IMPACT ASSESSMENT

(a) If the average CSR obligation of the Company crosses ten crore rupees or more in pursuance of sub-section (5) of Section 135 of the Act, in the three immediately preceding financial years, then the Company shall undertake impact assessment, through an independent agency of their CSR projects having outlays of one crore rupees or more, and which have been completed more than one year before undertaking the impact study.

(b) The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

13. DUE DILIGENCE:

The Company would ensure that a detailed due diligence is conducted on any individual / entity to whom the contributions are being made. Such due diligence shall be conducted by the Authorized Official of the Company.

14. DISCLOSURE:

The Company shall comply with provisions of Sections 134 & 135 of the Act thereby ensuring that it makes disclosure of its CSR Policy, Projects/ Programs, Activities, Implementing Agencies, Expenditure details as well as the composition of the CSR Committee of the Board, as required under the Act. The contents of the CSR Policy composition of the CSR Committee, and Projects approved by the Board shall be included in the Board's Report and the same shall be displayed on the Company's website **https://www.krystalgeltd.com.**

15. REVIEW MECHANISM:

The Policy shall be reviewed and revised as and when required by the CSR Committee subject to the approval of the Board of Directors but will, at all times be subject to the applicable laws.

16. INTERPRETATION:

In case of any conflict between the provisions of this Policy and provisions of any applicable law, the provisions of the applicable law shall prevail over this Policy. Any subsequent amendments/modifications in the provisions of applicable law shall automatically apply to this Policy.