



CORPORATE SOCIAL RESPONSIBILITY POLICY

Stesalit Limited, an ISO 9001: 2015 company, has its focus firmly trained on developing and manufacturing high-end engineering products matching international standards for Locomotives, Coaches, EMU's, Metro Cras and Industry. With the cutting-edge R&D facilities and a steadfast ideology affixed in coming up with innovation, Stesalit has ushered in and developed many products to match world class quality standards and is striving to scale dizzying heights in not-so-distant future.

Expansions, upgradations and technological innovations are the way of life at the Group and is committed to develop vibrant communities along the way.

We are also actively involved in providing a healing touch to the deprived through donating cash and in-kind in a timely fashion to poverty-stricken areas in order to help local communities build resilience.

We have long been considerate and thoughtful towards the health and education of the underprivileged. We also organise and host social events to raise the level of awareness among people about the environment, ethos, values and culture of the country.

Preamble

This policy evolved to meet with requirements of Section 135 of the Companies Act, 2013 and Companies [Corporate Social Responsibility Policy] Rules, 2014 [CSR Rules]. CSR Rules has mandated certain category of companies to have CSR Policy and Stesalit Ltd qualifies the criteria of Net Profit of Rs 5.00 crore or more. Further the Company being a good corporate citizen is also otherwise committed to its social responsibilities. The Company's focus has always been to contribute to the sustainable development of the society and environment, and to make our planet a better place for future generations. Apart from the same, Stesalit Ltd always stands with the society in the time of emergency.

Stesalit Limited is committed to:

- Allocate 2% of its Average Net Profits made during the three immediately preceding financial years towards Corporate Social Responsibility as per the categories mentioned in the **Schedule VII** of the Companies Act 2013.
- Transparent and accountable system for social development and conducting periodic assessment.
- Concentrate on community needs and perceptions through social processes and related infrastructure development.
- Provide special thrust towards Education for all.
- Dedicatedly inclined towards animal welfare.
- Spread the culture of volunteerism through the process of social engagement.

Focus Area:

The primary focus of the company is to promote education amongst children and Animal Welfare in such a way that they become strong positive force of change. Specific interventions are recommended as below:

(i) Welfare of Animal

Animal welfare is defined as: "The avoidance of abuse and exploitation of animals by humans by maintaining appropriate standards of accommodation, feeding and general care, the prevention and treatment of disease and the assurance of freedom from harassment, and unnecessary discomfort and pain." Stesalit CSR Policy is striving to provide following for the welfare of animals:

- To provide forage and fresh water to maintain health and vigour of animals.
- To provide appropriate habitat to animals including shelters and a comfortable resting area. To provide treatment for any injury or disease.
- Support for animal hospital and the rescue and care of animals.
- Support to various organizations for the care of animals in India. Any other activity for betterment of animal welfare.

ii) Promotion of Education

Education is the tool for creating an empowered, enlightened society capable of rising to its full potential. Availability of Quality Education for all classes is the way to ensure an equitable and just social system. Our Company aims to promote and improve the level of education in India. Promotion of Education, including special education and employment enhancing vocation skills especially amongst deprived / underprivileged children, women, elderly and the differently abled persons and livelihood enhancement projects.

Our CSR Policy is striving to provide following for the promotion of Education:

- To provide grants for improving the infrastructure, Sponsor books, furniture, drinking water and other facilities to assist the students with their studies.
- To provide scholarship / grant for physical, mental and intellectual development of students.
- To provide grant to hostels for boarding and lodging facilities for students.
- Such other activities as may be required to be undertaken for the promotion of education.

In future the other CSR activities may be undertaken by the Company as suggested by the Board of Directors.

Strategy

Stesalit Limited shall allocate at least 2% of its average Net Profits made during the three immediately preceding financial years for the planning and implementation of CSR. All the CSR initiatives are approved by the board and same are reviewed periodically. Taking a note of the importance of synergy and interdependence at various levels, Stesalit Limited would adopt a strategy for working directly or in partnership with other such institutions, wherever applicable.

- Priority to be given to the areas in the immediate vicinity of the registered office and manufacturing facilities of the Company.
- All the interventions would be formulated based on need-based assessment using different quantitative and qualitative methods.
- All the interventions would be adopted based on concurrent evaluation and knowledge management through process documentation.



- Social Mobilization at various levels, and/or appropriate policy changes would form part of the interventions in each sector.

Meeting, Role, Powers and Responsibilities of Board of Directors (BOD):

The BOD will meet at least twice in a year to discuss and review CSR activities and Policy. A quorum of two members is required to be present for the proceedings to take place. The Board of Directors shall have authority to call such employee(s), senior official(s) and or external persons, as it deems fit.

The Board of Directors has following powers, authority and responsibilities:

- Identify and implement the CSR activities on behalf of the company;
- Prepare and allocate budget for CSR activities and get recommendations from Audit Committee of the company for the same;
- Designate any employee or department, if necessary, for any specific CSR activities;
- Approve sponsorship, hosting of any programme;
- Identifying, approving any institution for tie up for any CSR activities;
- Define and approve terms, conditions for any CSR programme;
- Prepare periodic report on CSR activities of the company and present the same before the General Meeting;
- Ensure all CSR activities are undertaken in the name of company;
- Take such other measure either with or without approval, as the case may be, as necessary to implement the CSR activities, programmed of the company.
- Meets at least twice a year to review the progress made.
- Overall monitoring of CSR projects undertaken and CSR activities carried by the Company.

Implementation Mechanism

- The CSR activities would be implemented by Stesalit Limited for all the activities as mentioned above either by itself or in partnership with Government, foundations or any other institution with relevant expertise and experience in the relevant sector.

Amendments to the Policy

The Board of Directors on its own and / or as per the recommendations of Audit Committee can amend this Policy, as and when required. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Act on the subject as may be issued from relevant statutory authorities, from time to time.

For Stesalit Limited

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Director