

PLASSER INDIA CORPORATE SOCIAL RESPONSIBILITY POLICY

(As formulated by the Corporate Social Responsibility Committee of the Board of Directors of Plasser (India) Pvt. Ltd., (“COMPANY”) and approved by its Board of Directors (revision dated 18th November 2021))

1. INTRODUCTION

Plasser (India) Private Limited (“Plasser India” or “the Company”), designs, manufactures and services the most up-to-date, high performance and highly sophisticated machines for track maintenance, track laying as well track renewal.

The machines manufactured in the state-of-the-art factories in Faridabad and Karjan are customized and tailor made for its customers with special emphasis on applying technology most appropriate for the local conditions.

Plasser India also offers comprehensive customer services which include specialized training, supply of original spare parts, technical and life enhancement service.

2. OBJECTIVES/FOCUS AREAS

Plasser India’s social and sustainability initiatives center on education, healthcare, community care and environmental sustainability initiatives. The key driving principles of these initiatives are summarized below:

Education:

Engaging in deep and meaningful systemic work in the area of school and college education, including special education, training and employment enhancing vocation skills among children and the differently abled. The focus would also be to provide access to quality education for children from underprivileged and vulnerable communities.

Healthcare:

Promoting health care including preventive health care and sanitation by setting up hospitals/clinics, providing infrastructure to hospitals/clinics, organizing vaccination drives and health awareness programs etc. for socially and economically backward groups.

Community care:

Setting up homes and hostels for orphans and the differently abled; setting up old age homes, day care centres and such other facilities for senior citizens and undertaking measures for reducing inequalities faced by socially and economically backward groups.

Environment sustainability:

Undertake activities to ensure environmental sustainability, ecological balance, protection of flora and fauna, conservation of natural resources and maintaining quality of soil, air and water in rural area and area where the Company has operations. In addition, the focus will also be on reducing and minimizing the environmental footprint of our operations and enhancing the

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biodiversity of our facilities.

Contribution to funds specified in Schedule VII of the Companies Act, 2013 ("the Act")

Contribution towards the below funds:

- 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 Government for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women or any other fund as may be recognized from time to time for the purpose of qualifying as CSR expenditure;
- Swach Bharat Kosh set up by the Central Government for promotion of sanitation;
- Clean Ganga Fund set-up by the Central Government.

3. GOVERNANCE

Plasser India's CSR governance is under the purview of the CSR Committee appointed by the Board. The projects or programs or activities undertaken under the CSR initiatives of the Company are in adherence with the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII to the Act, as amended from time to time ("Applicable Law").

4. COMPOSITION OF CSR COMMITTEE AND DISCLOSURES

The CSR Committee shall be constituted in accordance with the requirement of Applicable Law. The CSR Policy, details of the composition of the CSR Committee and projects approved by the Board of Directors ("Board") shall be hosted on the Company's website www.plasserindia.com. In addition, the composition of the CSR Committee shall be disclosed in the Board's report.

5. TERMS OF REFERENCE OF CSR COMMITTEE

The terms of reference of CSR Committee are as outlined below:

- a) The CSR Committee shall meet at least twice a year to recommend the annual action plan and review the implementation of CSR projects/programs/other permitted activities;
- b) The quorum of the CSR Committee meeting shall be at least one-third of its total strength or two members, whichever is higher.

6. DUTIES OF THE CSR COMMITTEE

The CSR Committee shall undertake the following activities:

- a) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Act;
- b) Formulate and recommend to the Board, an annual action plan in pursuance of its CSR Policy and Applicable Law which shall contain all matters under Applicable Law and any other matters as the CSR Committee may determine from time to time;

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- c) Recommend to the Board, modifications to the annual action plan during the financial year, based on reasonable justification;
- d) Recommend to the Board, the amount of expenditure to be incurred on the CSR activities for approval;
- e) Monitor compliance with the CSR Policy of the Company from time to time.

7. CSR IMPLEMENTATION

The Company will undertake its CSR activities (being projects/programs/other permitted activities), recommended by the CSR Committee and approved by the Board either directly or in collaboration with other companies or through implementing agencies in accordance with Applicable Law and as approved by the CSR Committee and the Board.

The authorized person/team nominated by the CSR Committee shall obtain a utilization certificate from the implementing agency appointed on a half yearly/annual basis to ensure that the funds so disbursed have been utilized for the purposes and in the manner as approved by the Board of Directors and the Chief Financial Officer or the person responsible for financial management shall certify the utilization of the funds basis the same.

8. CSR EXPENDITURES & BUDGET

CSR expenditure and budget for each year will be approved annually by the CSR Committee. Expenses incurred by the Company for the fulfilment of any other Act/ Statute of regulations would not count as CSR expenditure under the Act.

9. FUNDING, SELECTION AND MONITORING PROCESS

Plasser India will receive requests for funding of projects/programs throughout the financial year.

The authorized person/team nominated by the CSR Committee shall monitor the status of each project and report its findings to the CSR Committee periodically to enable the Board of the Company to meet their reporting, monitoring and other legal obligations.

10. IMPACT ASSESSMENT

Impact assessment, if applicable shall be undertaken by the Company or by implementing agency as required by and in the manner set out under the Applicable Law and the impact assessment report(s) shall be placed before the CSR Committee and the Board and shall be disclosed as legally required.

11. REPORTING

An Annual CSR Report will be included in the Board's report and will be placed before the CSR Committee and the Board for approval at the end of every financial year. The report will adhere to the requirements of Applicable Law.

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12. REVIEW, LIMITATION AND AMENDMENT

The Board of Directors may in their discretion and on recommendation of the CSR Committee, make any changes/modification to the CSR Committee and CSR Policy from time to time for better implementation of the Policy.

This Policy is in conformity with the requirements laid down under the Companies Act, 2013.