

CORPORATE SOCIAL RESPONSIBILITY POLICY

**E TO E TRANSPORTATION INFRASTRUCTURE LIMITED
(Formerly E TO E TRANSPORTATION INFRASTRUCTURE PRIVATE LIMITED)**

CIN: U45201KA2010PLC052810

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CORPORATE SOCIAL RESPONSIBILITY (“CSR”) POLICY

1. Introduction

E To E Transportation Infrastructure Limited (ETIL) is a socially responsible enterprise committed to fulfilling its legal & statutory requirements to go beyond its core business to making palpable contribution to alleviating social conditions in identified areas and amongst selected population segments through its CSR activities.

2. Scope & Applicability

The provisions related to CSR are incorporated under Section 135 of Companies Act, 2013 (the Act) read with Schedule VII to the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the Rules) and amendments thereunder time to time along with General Circular No. 21/2014 w.r.t. Clarification with regard to provisions of Corporate Social Responsibility under section 135 of the Companies Act, 2013.

This Policy has been formulated under the above provisions of the Act and shall be applicable to all CSR initiatives and activities undertaken by the Company, for the benefit of different segments of society.

3. Objective of the CSR Policy

The objective of this Policy is to create a strategic approach to fulfil the corporate social responsibilities of the Company through carefully selected activities that it will pursue over a long period.

4. CSR Vision Statement

The Company aims to innovatively use its allocable CSR resources in carefully identified activities that the Company supports. The Company’s CSR vision holder will be a designated committee of the Board who will present and secure approval from the Board for a well thought through set of coherent activities for the Company to support through its CSR corpus over a defined period of time.

5. Definitions:

In this Policy, unless the context requires otherwise,

- a. **‘Act’** means Companies Act, 2013 and the Rules made thereunder, as amended from time to time,
- b. **‘Company’** means E To E Transportation Infrastructure Limited,
- c. **‘Corporate Social Responsibility (CSR)’** means Corporate Social Responsibility as prescribed under section 135 of the Act and Rules made thereunder and further amendments thereto,
- d. **‘Net Profit’** means net profit as defined under section 135 Act and the Rules made thereunder, as set out below:

Net Profit as per financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:

1. any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise; and
2. any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act.

e. Words and expressions used in this CSR Policy and not defined herein but defined under the Act shall have the meaning respectively assigned to them in the Act.

6. Constitution, Composition and Responsibilities of Corporate Social Responsibility Committee (CSR Committee) and Responsibilities of Board of Directors

6.1. Constitution and Composition of CSR Committee

- A Corporate Social Responsibility Committee (“CSR Committee”) has been constituted by the Board of Directors to oversee the CSR agenda of the Company. The committee has been formed as per the requirements of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014. The Board of Directors shall be empowered to take decision for making or effecting changes in the constitution of the CSR Committee. The composition of CSR Committee shall be disclosed in the Board of Directors’ Report.

- Meetings of CSR Committee

The CSR Committee meeting shall be held either at the registered office of the Company or any other place once in a financial year or at a frequency stipulated by the Board / by law.

The physical presence of a minimum of two members of the committee shall constitute the quorum.

- Notice of Meeting

At least seven days advance notice of every meeting, specifying the day, place and timing of Meeting and the general nature of the business to be transacted thereat shall be given to the members. In urgent situations, a meeting may be convened by shorter notice.

6.2. Responsibilities of the CSR Committee:

- a) To formulate & recommend to the Board of Directors, a CSR Policy indicating the activities to be undertaken as specified in Schedule VII of the Companies Act, 2013 and modify / amend the same as required;
- b) To recommend CSR activity / programme / project to the Board for its approval;
- c) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- d) To review the CSR activities of the Company and provide progress update to the Board of Directors

- at such interval as may be deemed fit;
- e) To develop and institutionalize a CSR reporting mechanism in line with Section 135, Rule 8 of the Companies Act 2013;
 - f) To ensure that ETIL corporate website displays the approved CSR Policy of the Company;
 - g) To monitor the CSR Policy, Projects and Programs and report the same to the Board atleast once in each quarter;
 - h) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors, from time to time;

6.3. Responsibilities of the Board of Directors:

- a) To develop a CSR strategy aligned with the business of the Company;
- b) To approve the CSR Policy as formulated by the CSR Committee;
- c) To display the composition of the CSR Committee, CSR Policy and CSR Projects approved by it on the Company's website;
- d) To ensure that the activities included in the CSR Policy are undertaken by the Company;
- e) To ensure that in each financial year the Company spends at least 2% of the average net profit before taxation made during the three immediate preceding financial years ;
- f) To ensure CSR activities are undertaken by the Company itself or through implementing agencies;
- g) To ensure that the funds so disbursed have been utilised for the purpose and in the manner approved by it and the Chief Financial Officer or the person responsible for Financial Management shall certify to that effect;
- h) For the ongoing project, it shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period;
- i) To ensure that the administrative overheads shall not exceed 5% of total CSR expenditure of the Company for the Financial Year;
- j) To disclose in its Annual Report the names of CSR Committee members, the content of the CSR policy and ensure annual reporting of its CSR activities on the Company website. As per Section 135 the reasons for underspending of the allocated CSR budget shall be specified in the Board's Report;

7. Guiding Principles for Selection, Implementation and Monitoring of CSR Activities and formulation of the Annual Action Plan

Selection of CSR activities –

The Policy recognizes that corporate social responsibility is not merely compliance; it is a commitment to support initiatives that measurably improve the lives of under privileged section of the society by one or more of the focus areas as outlined in Annexure-I to this Policy.

The CSR Committee shall consider and recommend, CSR activities / programmes / projects to be undertaken during the year, in line with the guidelines given below.

- a) To ensure that the CSR activity / programmes / project is not discriminatory in nature;

- b) The CSR activities be implemented within India and preferably in the areas where the Company has its presence;
- c) Programmes / projects that integrate business models with social and environmental priorities and process in order to create shared value shall be encouraged;
- d) CSR activity/ programme /project should not exclusively for the benefit of employees of the Company or their family members or those that are conducted /undertaken exclusively in pursuance to the normal course of business of the Company;
- e) Any surplus generated from CSR activity of the Company, will be plough back to the CSR initiatives of the Company.

This Policy will serve as guiding document to help identify, execute and monitor CSR projects in keeping with the spirit of the Policy.

Implementation of CSR activities -

The Board level Corporate Social Responsibility Committee (CSR Committee) of the Company shall be responsible for monitoring the CSR Policy from time to time. The CSR Committee shall approve and recommend to the Board, the projects or programs to be undertaken, the modalities of execution and implementation schedule from time to time. Further the Company will have a CSR Council comprising of senior management executives of the organization who are responsible for the implementation of the CSR activities which have been approved by the CSR Committee of the Board. The CSR Council will have a formal process of executing CSR projects as laid down by the CSR Committee.

Monitoring process of CSR activities -

The CSR Committee meeting will be convened to review the progress of varied CSR projects in terms of both outcome assessment and financial monitoring. The committee will review the strategy from time to time and may choose new focus areas and projects as and when required. In addition, the CSR Committee will mandate the effective and timely monitoring and evaluation of varied CSR projects by directing its CSR department or a third party independent agency to carry out situational analysis, need assessment surveys, project visits, or impact studies, etc. if required.

In order to ensure transparency and communication with all stakeholders, the CSR Policy will be available at the registered office of the Company and shall be furnished upon request to any legitimate interested party.

Formulation of Annual Action Plan -

CSR programs/ projects shall not include activities as restricted under the amended CSR Rules. All the guiding principles as required to be followed for implementing and monitoring the CSR Activities shall also be followed while formulating the Annual Action Plan. The Annual Action plan shall be Simple, Action oriented, Measurable, Relevant and Time Bound.

8. CSR Expenditure and Budget

- a. Every year the Company shall spend atleast 2% of its average Net profit as defined under the Rules (“CSR obligation”) during the three immediately preceding financial years, on the CSR Activities as per approved Annual Action Plan.
- b. The expenditure incurred towards Administrative overheads and carrying out the Impact Assessment will be considered as part of CSR Expenses upto the limits prescribed under the applicable laws.
- c. The overall amount to be committed towards CSR will be approved by the Board of Directors as a part of its annual Budget / Plans based on the recommendation of the CSR Committee.
- d. Any amount remaining unspent at the end of the financial year, if any, except in case of an ongoing project, shall be transferred to a Fund to be specified in Schedule VII for this purpose, within a period of six months of the expiry of the relevant financial year.
- e. In case the Company undertakes any ongoing project, any amount remaining unspent and earmarked for the ongoing project, shall be transferred within a period of thirty days from the end of the financial year to a special account to be opened for that financial year in any scheduled bank to be called the ‘Unspent Corporate Social Responsibility Account’, and such amount shall be spent within a period of three financial years from the date of such transfer, failing which, the unspent amount shall be transferred to the Fund to specified in Schedule VII for this purpose, within a period of thirty days from the date of completion of the third financial year.
- f. Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- g. An amount spend in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that –
 - the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance of sub-rule (2) of this rule.
 - the Board of the company shall pass a resolution to that effect.
- h. The CSR amount may be spent by a company for creation or acquisition of a capital asset, which shall be held by –a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub-rule (2) of rule 4; or beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or a public authority.

Provided that any capital asset created by a company prior to the commencement of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, shall within a period of one hundred and eighty days from such commencement comply with the requirement of this rule, which may be extended by a further period of not more than ninety days with the approval of the Board based on

reasonable justification.

9. Project Implementation (Executing Agency / Partners) -

CSR initiatives will be implemented either directly by the company or through implementing partners which may include NGO's having an established track record of at least 3 years in carrying on the specific activity.

The following minimum criteria will be ensured while selecting NGO's / voluntary organizations for program execution

- a) The NGO is a registered Society / Public Charitable Trust / Section 25 Not for Profit Organizations / company established under section 8 of the Act etc.
- b) The NGO has a permanent office / address in India
- c) The NGO has a valid Income Tax Exemption Certificate
- d) The NGO has submitted a detailed project proposal and budget which has been approved by the CSR Council.

The Company may also collaborate with other companies to undertake CSR projects or programs, provided the CSR Committees of the respective companies are in a position to report separately on such projects or programs.

For CSR activities undertaken through other Executing Agency, the Company will specify the projects or programs to be undertaken through these agencies, the modalities of utilization of funds on such projects or programs.

10. Amendments/ Modifications to the CSR Policy

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

11. Effective Date

This Policy as amended will come into effect from the date of approval of the same by the Board of Directors of Company i.e. 20th December 2024.

Date: 20th December 2024

ANNEXURE-I

CSR ACTIVITIES / PROGRAMMES / PROJECTS

1. Initiative with SGBS Unnati Foundation, as per the CSR Agreement dated 5th February 2024

- Effective from 1st March 2024, E TO E TRANSPORTATION INFRASTRUCTURE LIMITED and SGBS UNNIATI Foundation will work towards the promotion of and for conducting technical training courses to eligible trainees and improve their employability in Railway sector in India
- Both the parties desire to promote the concept of Skills training aimed at creating Rail sector careers for unemployed youth in a structured and effective way through the cooperative and collaborative model as set in the CSR Agreement between the parties entered on 5th February 2024.

2. The Board shall ensure that the CSR Activities that are undertaken by the Company should be within the scope of the following activities:

(i) eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh 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 the Clean Ganga Fund setup 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 arts and handicrafts;

(vi) measure for the benefit of armed force 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 recognized sports, Paralympic sports and Olympics sports;

(viii) contribution to the Prime Minister's National Relief Fund or Prime Minister's Central 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 Scheduled Castes, the Schedule 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).

(ix) Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Biotechnology (DBT) Defence Research and Development Organisation (DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs);

(ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;

(x) rural development projects.

(xi) slum area development.

Explanation - For the purposes of this item, 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.