

Corporate Social Responsibility Policy

1. Introduction

Corporate Social Responsibility Policy (the "CSR Policy") is framed in accordance with the provisions of Section 135 of Companies Act, 2013 (the "Act") read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (the "CSR Rules") by the Board of Directors (the "Board") of Sterling Gtack E-Mobility Limited (the "SGEM/Company") on the recommendations of Corporate Social Responsibility Committee (the "CSR Committee") constituted by the Board in accordance with the provisions of the Act.

2. Philosophy:

SGEM recognizes that business enterprises have a very responsible role towards the society and public at large.

SGEM is vigilant in its enforcement towards corporate principles and is committed towards sustainable development and inclusive growth. SGEM constantly strives to ensure strong corporate culture which emphasizes on integrating CSR values with business objectives. It also pursues initiatives related to quality management, environment preservation and social awareness.

3. Obligations:

While undertaking CSR projects, programmes, or activities, the CSR Committee and the Board of Directors will be bound by the following conditions and restrictions:

- a) The Company's CSR projects, programmes, or activities, as outlined in this policy, shall not include activities carried out as part of its regular business operations. CSR projects/programmes/activities undertaken by the Company, as per this policy shall exclude activities undertaken in pursuance of its normal business.
- b) Any direct or indirect contribution to any political party, as stated in Section 182, will not be considered or qualify as CSR expenditure.
- c) Any surplus resulting from the CSR projects, programmes, or activities will not be included as part of the business profit of the Company.
- d) Activities conducted to fulfill any other statutory obligations under any prevailing law in India will not be considered as part of the CSR expenditure.

4. SGEM Focus Areas:

a) **Supporting Rural Development:**

This involves contributing to the overall development of rural areas, potentially through initiatives like infrastructure development, agricultural support, or community empowerment.

b) **Promoting Education:**

Focusing on educational programs can include building schools, providing scholarships, or supporting initiatives that enhance the quality of education in both rural and urban areas.

c) **Providing Preventive Healthcare:**

This involves initiatives such as organizing health camps, supporting healthcare infrastructure, or promoting awareness campaigns for preventive healthcare.

d) **Providing Sanitation and Drinking Water:**

Supporting projects related to clean water supply and sanitation facilities can significantly impact the health and well-being of communities.

e) **Creating Livelihoods for Disadvantaged Sections:**

This objective aims to empower individuals, especially from marginalized communities, by providing them with opportunities for sustainable livelihoods.

f) **Preserving and Promoting Sports:**

Supporting sports initiatives can contribute to physical and mental well-being, community building, and youth development.

g) **Developing Capability and Self-Reliance:**

Focusing on building skills and fostering self-reliance, particularly among women, recognizes the importance of empowerment as a driver for social and economic development.

5. Implementation:

To implement the Company's CSR Programmes through Company personnel or through external implementing agencies, in such cases, the Company will specify the CSR Programmes which may be undertaken by those external Implementing agencies.

6. CSR Expenditure:

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the approved CSR Plan. Moreover, any surplus arising from any CSR Programmes shall be used for CSR. Accordingly, any income arising from CSR Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

6.1 Treatment of Unspent CSR Expenditure

In the event that the Company does not meet the requirement of spending 2% of the Average net profit, the unutilized amount will be handled in the following manner:

- a) **Unspent amount relating to an ongoing project:** The unspent funds shall be transferred to a dedicated account, known as the Unspent CSR Account, held with a bank within 30 days from the end of the financial year. The Company is obligated to utilize this amount for CSR projects within three financial years from the date of transfer. If the funds remain unutilized beyond this period, the Company is required to transfer them to a fund specified under Schedule VII within 30 days from the end of the third relevant financial year.
- b) **Unspent amount not relating to an ongoing project:** The funds shall be transferred to the Schedule VII Fund within a period of six months from the conclusion of the financial year.

7. Governance:

- a) Every year, the CSR Committee will place for the Board's approval, a CSR Plan delineating the CSR Programs to be carried out during the financial year and the specified budgets thereof. The Board will consider and approve the CSR Plan with any modification that may be deemed necessary.
- b) The Corporate Social Responsibility Committee (CSR) will assign the task of implementation of the CSR Plan within specified budgets and timeframes to such persons or bodies as it may deem fit.
- c) The persons/bodies to which the implementation is assigned will carry out such CSR Programs as determined by the CSR within the specified budgets and timeframes and report back to the CSR Committee on the progress thereon at such frequency as the Committee may direct.
- d) The CSR Committee shall review the implementation of the CSR Programs and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programs in accordance with this Policy.
- e) Once in every six months, the CSR Committee will provide a status update to the Board on the progress of implementation of the approved CSR Programs carried out during the six month period.
- f) At the end of every financial year, the CSR Committee will submit its report with respect to CSR activity and utilization of fund during the Financial Year to the Board.

8. GENERAL

8.1. Review

This policy may be amended by the Board at any time either suo-moto and / or pursuant to amendments to the Companies Act, 2013 or such other law, rules, regulations, standards, guidelines as applicable. If there is any amendment to the policy, this policy will be deemed to have been amended and such amendment will take effect from date of the approval of such amendment.

8.2. Disclosure of the policy

The policy will be uploaded on the company's website.

8.3. Effective Date
