

CORPORATE SOCIAL RESPONSIBILITY POLICY
OF
SAKSOFT LIMITED

Approved by the Board on 26th September 2014 and Amended on 30th October, 2015.

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CSR POLICY

INTRODUCTION AND BACKGROUND

Saksoft Limited (SAKSOFT) is a leading provider of Information Management solutions to successful organizations around the world. From strategic consultancy and the delivery of niche technical services, to a complete Information Management solution, Saksoft offers end-to-end solutions, together with support and training. Saksoft Limited has been a socially responsible company in the past and continues to be as it takes initiatives year on year to conduct social activities that benefit the socially & economically disadvantaged communities.

With the introduction of Companies (Corporate Social Responsibility Policy) Rules, 2014 on 27th February 2014, Saksoft is committed to establish the CSR committee and formulate a CSR policy for the Company.

POLICY OBJECTIVES

The **objectives** of this policy are to –

- Develop meaningful and effective strategies for engaging with all stakeholders
- Make sustainable contributions to Communities
- Identify socio-economic opportunities to perform CSR activities
- Focus on social welfare activities as envisaged in Schedule VII of Companies Act, 2013.
- Partner with credible organizations focused on social welfare activities

SCOPE OF THE POLICY

- This Policy will focus on constitution of CSR Committee, roles and responsibilities of CSR Committee, CSR activities to be undertaken and allocation of funds for carrying out such CSR activities, Implementation and monitoring the execution of CSR activities for the Company.
- The policy shall apply to all CSR projects/Programmes undertaken by the Company in India as per schedule VII of the Act.
- This Policy shall be applicable to Saksoft including all its Subsidiaries, and all its employees.

CSR COMMITTEE

I. Composition: The CSR Committee of Saksoft comprises of three directors of which, one will be an Independent director. The current composition of the CSR Committee shall be:

- a. Mr. Aditya Krishna – Managing Director
- b. Mr. Amitava Mukherjee – Independent Director
- c. Ms. Kanika Krishna* – Non Executive Director

* Consequent to the sad demise of Mr. Autar Krishna, the CSR Committee was re-constituted on 30th October, 2015 by inducting Ms. Kanika Krishna as a Member.

II. The CSR committee of Saksoft Limited will be responsible for:

- Formulating the CSR policy in compliance to Section 135 of the Companies Act 2013
- Identifying activities to be undertaken as per Schedule VII of the Companies Act 2013.
- Recommending to Board the CSR expenditure to be incurred.
- Recommending to Board, modifications to the CSR policy as and when required.
- Regularly monitoring the implementation of the CSR policy

CSR BUDGET

CSR Committee will recommend every year, the annual budgeted expenditure project wise to the Board of Directors for its consideration and approval.

CSR ACTIVITIES

The CSR Committee shall recommend to the Board of SAKSOFT to implement its CSR activities covering any of the areas as detailed below in accordance with Schedule VII of Companies Act, 2013 and amendments thereof :-

- eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

- promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- 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;
- 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, handicrafts;
- measures for the benefit of armed forces veterans, war widows and their dependents;
- training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
- contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Caste, the Scheduled Tribes, other backward classes, minorities and women;
- contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
- Rural development projects.

IMPLEMENTATION

The Board of Saksoft shall based on the recommendations from the CSR Committee shall implement any of the activities as mentioned under schedule VII of the Companies Act, 2013 through any of the following ways: _

- Registered Trust or Society or Company established by the Company.
- Any other established Registered Trust or Society having track record of three years in undertaking similar programs or projects.
- Collaborate with other Companies for undertaking projects or programs or CSR activities.

BOARD RESPONSIBILITIES ON CSR:-

The Board of Saksoft will be responsible for:

- Approving the CSR policy as formulated by the CSR Committee

- Ensuring that in each financial year the Company spends at least 2% of the average net profit before taxation excluding profits arising from overseas branches made during the three immediate preceding financial years.
- Ensuring that every financial year funds committed by the Company for CSR activities are utilized effectively and regularly monitoring implementation.
- Disclosing of contents of Corporate Social Responsibility policy in the Board's report and on the Company's website, as per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- Ensuring annual reporting of CSR policy to the Ministry of Corporate Affairs, Government of India, as per the prescribed format.

As per Section 135 the reasons for under spending of the allocated CSR budget shall be specified in the Board's Report. The surplus arising out of the CSR activities, if any, will not be considered as a part of the business profits of the company.

FRAMEWORK ON MONITORING AND REPORTING

Saksoft's CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews. The heads of Saksoft will present list of programmes, projects, and activities to the CSR Committee for its approval. The Committee will in turn recommend this to the Board for its final approval. In compliance with the Act and to ensure funds spent on CSR programmes are creating the desired impact on the ground, a comprehensive Monitoring and Reporting framework will be put in place. The monitoring and reporting mechanism is divided into three distinct areas:

I. Programme Monitoring:

II. Evaluation:

III. Reporting and Documentation:

Programme Monitoring:

I. Programme monitoring mechanism will ensure:

- The CSR policy is implemented as per the Act and the Rules.
- The CSR policy is implemented ensuring that all projects/programmes as budgeted are duly carried out

II. CSR spends will be closely monitored and funds shall be released against verified utilizations as per the approved work plans.

III. CSR spends will be audited in an accountable and transparent manner.

IV. Quarterly review by the CSR committee and six monthly review by the Board.

Evaluation

I. A MIS monitoring mechanism will be put in place.

II. There shall be clarity about the scope of the programme and the need before evaluations are undertaken.

Documentation and Reporting

The CSR Committee will prepare the annual CSR report to be filed by the Company on approval of the Board. This report will ensure:

- a. CSR projects and programmes are being properly documented.
- b. The Accountability is fixed at each level of CSR process and implementation.

CONCLUSION

Our Board of Directors, our Management and all of our employees subscribe to this policy with compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.
