CONCEPT:

SHORT TITLE & APPLICABILITY:

Corporate Social Responsibility (CSR) Policy, which encompasses Sasken Communication Technologies Ltd.’s (the “Company / Sasken”) philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large, is titled as the ‘Sasken CSR Policy’.

This policy shall apply to all CSR initiatives and activities taken up at the various locations of Sasken in India, for the benefit of different segments of the society, specifically the deprived, under privileged and differently abled persons.

This Policy has been prepared pursuant to Section 135, the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Companies Act, 2013 (the “Act”).

CSR VISION & MISSION:

Aligning with vision of the Company, SASKEN through its CSR initiatives will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth of the society and community, in fulfilment of its role as a Socially Responsible Corporate, with environmental concern.

The objective of the SASKEN CSR Policy is to:

 Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.

 To directly or indirectly take up programs that benefit the communities in & around its work centers and results, over a period of time, in enhancing the quality of life & economic well-being of the local populace.

 To generate, through its CSR initiatives, a community goodwill for SASKEN and help reinforce a positive & socially responsible image of SASKEN as a corporate entity.

RESOURCES

Funding & Allocation:

For achieving its CSR objectives through implementation of meaningful & sustainable CSR programs, SASKEN will allocate 2% or such other percentage / amount as may be stipulated by the Act of its Average Net Profits made by the Company during every block of immediately preceding three years calculated in accordance with Section 198 of the Companies Act, 2013, as its Annual CSR Budget. The first block of three years would be 2011-12, 2012-13 and 2013-14.
Note:

Net profit means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act and shall not include (a) any profit arising from overseas branches whether operated as a separate company or otherwise and (b) any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act.

Areas where the CSR will be spent:

From the annual CSR Budget allocation, the amount will be spent on a year on basis in one or more of the following projects / programs:

a) eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
b) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
c) 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;
d) 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;
e) 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;
f) measures for the benefit of armed forces veterans, war widows and their dependants;
g) training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
h) 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 Casts, the Scheduled Tribes, other backward classes, minorities and women;
i) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
j) rural development / slum area development projects.
k) Such other areas as may be notified by the Ministry of Corporate Affairs from time to time.

The CSR activities can either be new or ongoing and does not include the activities undertaken in pursuance of normal course of business of the Company.
IMPLEMENTATION:

The CSR Committee will determine the quantum of expenditure on each of the activities / projects based on the necessity and / or size of the activity / program. The Committee can delegate the same to the Chairman / work group to take it forward for speedy implementation.

CSR can also be implemented by forming a registered Trust / Society / Foundation / company by specifying the project or programs to be undertaken, modalities of utilization of funds, monitoring and reporting mechanism, etc. Project activities identified under CSR can also be implemented by specialized agencies, which could include Voluntary Organizations (VOs), formal or informal Elected local bodies such as Panchayats, Institutes/Academic Institutions, Trusts, Self Help Groups, Govt/Semi Govt./Autonomous organizations, Mahila Mandalas, Professional Consultancy organization etc.

While spending the amount, preference shall be given to the local area(s) of its operation.

Any amount spent on CSR shall not be exclusively for the benefit of the employees or their family members of the Company and / or its subsidiaries.

Sasken can also collaborate or pool resources with other companies to undertake CSR activities.

Sasken may build CSR capacities of their own personnel as well as those of their implementing agencies through Institutions with established track record of at least 3 financial years, but such expenditure including expenditure on administrative overheads shall not exceed 5% of total CSR expenditure of the company in one financial year.

Contribution to any political party either directly or indirectly will not be considered as forming part of CSR activity.

Contribution to corpus of a Trust / Society / Section 8 companies, etc., formed / created exclusively for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

CSR activities shall not cover one-off events such as marathons / awards / charitable contribution / advertisements / sponsorships of TV programs, etc.

Expenses incurred by the Company for the fulfilment of any Act / Statute of Regulations (such as Labour Laws, Land Acquisition Act, etc.) would not count as CSR expenditure.

The process for implementation:

Identification of programs at Corporate and work center level will be done by means of the following:

Identification studies by the Professional Institutions / Agencies.

- Internal need assessment by cross-functional team at the local level.
- Receipt of proposals / request from District Administration / local Govt., NGO, etc.
- Discussions and requests with local representatives / civic bodies / Citizen Forums / VOs.

Project based approach: CSR Committee will follow a project based accountability approach to stress on the long term sustainability of CSR projects, where its action plan will be distinguished as 'Short-term', 'Middle-Term & Long Term; qualified as
Short Term  6 months to 1 year  
Medium Term  1 year to 2 years  
Long Term  2 years and above - ‘Flagship programs’.

While identifying long term programs, all efforts must be made to the extent possible to define the following:

- Program objectives
- Baseline survey - It would give the basis on which the outcome of the program would be measured
- Implementation schedules- Timelines for milestones of the program will need to be prescribed
- Responsibilities and authorities
- Major results expected and measurable outcome.

The Committee may appoint a Nodal Officer from time to time for implementing and monitoring the projects and programs within Sasken. The Nodal Officer will co-ordinate with the concerned for proper implementation and monitoring the program. He will submit a report to the CSR Committee on a quarterly basis within 10 days of the conclusion of the quarter, covering the following:

- Name of the Project / Program
- Nature of the Project / Program
- Name of the Beneficiary
- Date of Commencement / Completion
- Status of such Project / Program
- Amount earmarked
- Amount spent so far at the end of the quarter
- Amount unutilized, if any

POWERS FOR APPROVAL

CSR programs as may be identified will be required to be put up to the CSR Committee of the Board at the beginning of each quarter / financial year with due recommendations for implementation. The Committee may also decide on delegating the powers from time to time to the Whole-time Directors / Senior Executives for implementation, with certain financial limits.

For meeting the requirements arising out of immediate & urgent situations, the Chairman is authorized to approve proposals in terms of the empowerment accorded to him by the CSR Committee.

Executing agency/Partners:

Sasken will seek to identify suitable programs for implementation in line with the CSR objectives of the Company and also benefit the stakeholders and the community for which those programs are intended. These works would be done through:

- Community based organizations whether formal or informal
- Elected local bodies such as Panchayats
- Voluntary Agencies (NGOs)
- Institutes/ Academic Organizations
- Trusts, Missions
- Self-help Groups
- Government, Semi-Government and autonomous Organizations
- Standing Conference of Public Enterprises (SCOPE)
- Mahila Mandals/ Samitis
- Contracted agencies for civil works
• Professional Consultancy Organizations
• Such other approved bodies as may be notified / identified from time to time.

Criterion for identifying Executing agency:

While identifying programs the concerned work centers will also identify the external agency who would execute the said program. In case of program execution by NGOs/ Voluntary organizations the following minimum criteria need to be ensured:

• The NGO / Agency have a permanent office / address in India;
• The NGO is a registered society under Societies’ Registration Act;
• Possesses a valid Income-tax Exemption Certificate;
• The antecedents of the NGO / Agency are verifiable / subject to confirmation.

Agreement between Sasken & Executing agency:

Once the programs approved by the CSR Committee of the Board are communicated to the work centers, they will be required to enter into an agreement with each of the executing / implementing agency as per the Standard Model Agreement.

MONITORING AND FEEDBACK

To ensure effective implementation of the CSR programs undertaken at each work center, a monitoring mechanism will be put in place by the work center head. The progress of CSR programs under implementation at work center will be reported to corporate office on a monthly basis.

The CSR department at the corporate office will conduct impact studies on a periodic basis, through independent professional third parties / professional institutions, especially on the strategic and high value programs.

Work centers will also try to obtain feedback from beneficiaries about the programs.

Appropriate documentation of the Sasken CSR Policy, annual CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis and the same will be available in the public domain.

The details of CSR as required under the Companies (Corporate Social Responsibility) Rules, 2014, as amended from time to time, will be reported in the Annual Report of the Company.

GENERAL

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to the CSR Committee. In all such matters, the interpretation & decision of the Committee shall be final & binding.

Any or all provisions of the CSR Policy would be subject to revision / amendment in the best interests of the Company and / or in accordance with the guidelines on the subject as may be issued from Government, from time to time.

The Company reserves the right to modify, cancel, add, or amend any part of the CSR Policy document.

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