



# Cybage CSR Policy



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# Introduction

Cybage Software Pvt. Ltd. (hereinafter referred to as “Company”) has been an early adopter of Corporate Social Responsibility (CSR) initiatives. Reaching out to underserved communities is a part of the Company’s ethics. The Company has always conducted its business responsibly, mindful of its social accountability, respecting applicable laws, and with regard for human dignity. The Company’s vision is ‘to actively contribute to the social and economic development of the communities in which we operate’ and in doing so, build a better, sustainable way of life for the weaker sections of society and raise the country’s human development index.

It is the moral responsibility of every successful corporate to set objectives that are congruent with social development to repay its social debt. The Company underlined its commitment towards the all-round development of the marginalized sections of the society and brought about a positive change by setting up CybageAsha in October 2005 and Khushboo Charitable Trust (CybageKhushboo) in July 2009.

These philanthropic initiatives have taken up meaningful educational and socio-economic drives aiming at the upliftment of the less fortunate for a better society. While CybageAsha’s main programs are Rural Upliftment, Community Development and Social Welfare, CybageKhushboo facilitates higher education for needy students through scholarship programs and educational counselling. These efficacious activities are executed independently with the help of Cybagians who volunteer their services or in partnership with other NGOs under the able guidance of Cybage’s senior management.

# Vision

Cybage through its corporate social responsibility initiatives, aims at bridging disparities through sustainable community development. This aspiration includes the holistic development of the underprivileged section of society to provide equal opportunity to all. Cybage is committed to look at social responsibility beyond compliance while making social thinking a DNA of its existence. Leadership team and employees’ participation will be an integral part of Cybage CSR.

# Mission

To achieve our vision through education vertical of CybageKhushboo and Rural upliftment, community development and social welfare verticals of CybageAsha keeping environmental sustainability as a priority.

## Core values

To have a clean and ethical mechanism of work to benefit the beneficiaries with energy, enthusiasm, perseverance, inclusiveness, transparency, participation, non-dependence and self-reliance in a process oriented, and data driven manner.

## Objective

In compliance with Section 135 of the Companies Act, 2013, along with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR activities we pursue are approved by our CSR Committee. In line with the activities mentioned in Schedule VII of the Act, our CSR policy, as approved by the CSR Committee, contributes to the group-wide goals by adopting projects in the following areas:

- Promotion of education
- Rural development projects
- Livelihood enhancement projects
- Environmental sustainability measures
- Social business projects
- Others, as may be identified in future

## Focus areas and the activities therein

The CSR activities shall be undertaken in compliance with the provisions of Section 135 of the Companies Act, 2013, the activities broadly laid under Schedule VII of the Act and the Companies (Corporate Social Responsibility) Rules, 2014, as amended from time to time.

### Focus CSR Activities as follows:

#### • Rural Upliftment

CybageAsha first identifies villages that need social, infrastructural, and economic improvement. Our process begins with interaction with the villagers and village panchayat, during which we discuss a high-level plan. Going further, CybageAsha conducts socio-economic assessment surveys with participation of all the villagers. After analyzing the data gathered, we set priorities for each task and start the development work. The types of development initiatives that we provide are:

1. Refurbishment of school infrastructure
2. Distribution of educational material to students
3. Construction of underground drainage systems
4. Construction of lavatories
5. Tree plantation and cleanliness drives
6. Periodic health camps
7. Provision of vermiculture compost training
8. Construction of water tanks
9. Desilting of streams and rivulets to increase ground water levels
10. Construction of Cement Nala Bandhara - small check dams
11. Advice and motivation to villagers to improve practices related to agriculture, community health, sanitation, and cleanliness
12. Collaboration with villagers and local government for effective implementation of various government programs such as Swachh Bharat Abhiyaan
13. Construction of internal roads
14. Construction of community wells and group wells

## • **Community Development: Reducing economic inequality in Urban Area**

CybageAsha, a registered Trust supported by the Company, under this vertical focuses on improving the living conditions of people from the lower economic strata of society by adopting their communities to bring about change. The trust is working in various urban slum communities such as Ambedkar Nagar, Khulewadi, Sanjay Park, Siddharth nagar, Yamuna nagar and Bhimnagar in Pune. They have organized various programs that have led to the holistic development of the residents.

Some of the activities conducted in these areas include:

- Setting up de-addiction camps for alcohol and drug addicts
- Organizing adult literacy and digital literacy programs
- Setting up health checkup camps
- Conducting programs to promote women empowerment
- Skill development training

## • **Social Welfare**

Through Social Welfare initiatives, CybageAsha supports underprivileged children with educational material, disburses medical aid to the poor, and visits old age homes and orphanages. CybageAsha also focuses exclusively on addressing various environmental issues, generating awareness, and conducting various

eco-friendly activities. This vertical serves as a platform for Cybagians to voluntarily participate in various social activities, thus giving them an opportunity to give back to society.

Following is a list of the activities conducted by CybageAsha:

- Edutainment activities such as drawing and elocution competitions for underprivileged children
- Christmas parties for children from communities
- Blood donation drives in the Company
- Various other drives such as toy donation, cloth donation, book donation
- Entertainment activities for old age homes and orphanages
- Reader's Club and book recording activities for visually impaired students
- Infrastructural assistance to NGOs
- Teaching in low-income private schools
- Executing Go-Green initiatives
- Tree plantation drives at various locations in and around the city
- Awareness about the conservation and optimal utilization of natural resources by organizing Go-Green weeks in the Company
- Promotion of eco-friendly products
- Implementation of eco-friendly practices in the Company
- Distribution of saplings to employees
- Promotion of solar energy

## • CybageKhushboo

A self-sustained NGO and the philanthropic arm of the Company, CybageKhushboo believes in the power of education. Right from its inception, CybageKhushboo has been constantly providing financial aid to economically backward but promising students to help them fulfill their educational aspirations and secure a bright future. It is relentlessly engaged in scalable educational projects to mold promising careers.

CybageKhushboo grants scholarships to meritorious students coming from economically weaker sections of the society to help them pursue professional courses in Engineering (degree and diploma), Medical and related courses such as Pharmacy, Dentistry, Homeopathy, Physiotherapy and management courses.

# Execution

The Company shall make contributions towards its CSR activities either through Direct or Indirect way

1. Direct Way i.e. the Company shall directly pay or spent towards CSR Activity.
2. Indirect Way i.e., Company shall pay or contribute towards CSR activity through an Implementing Agency.

## Implementing Agency:

Following Trust / Societies shall act as an Implementing Agency for Cybage Software Private Limited:

- CybageAsha
- CybageKhushboo

Further the Company can identify any other Section 8 Company / Trust / Societies and contribute to them for its CSR plan.

The company can also partner with local governance bodies, such as Gram Panchayats, Civic Bodies, Municipality to directly undertake approved CSR projects with the help and support of these bodies.

The Company strives to implement the aforesaid CSR activities on its own to the extent possible. The implementers of the Company's CSR activities will continue to be its registered Trusts—CybageAsha, CybageKhushboo. The corpus for carrying out the aforesaid activities is funded by the Company. This includes:

- 2% of the average Net Profit made by the Company during the three immediately preceding financial years as per Section 135 of the Companies Act, 2013, along with the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- Any income arising therefrom.
- The profits generated therefrom, if any, shall not be treated as profits of the Company.
- The Company shall undertake CSR activities to the best possible manner and execute all activities in conjunction with this policy and provisions of the applicable statutes. However, in the event the Company shall not be in a position to execute such activities as guided by the CSR Committee, the same shall be executed through its registered Trusts.

## Approval Process

- (a) All CSR expenditure must be approved in advance by the CSR Committee and the Board of Directors of the Company.
- (b) Upon receipt of the CSR proposal, the CSR Committee shall evaluate the same in accordance with this CSR Policy, the Companies Act 2013 (the Act) and the CSR Rules made thereunder.
- (c) The CSR Committee may take such time as it deems necessary to deliberate and come to a conclusion regarding a CSR Proposal. The CSR Committee may, approve or decline a CSR Proposal in its meeting.
- (d) Subsequent to the approval of the CSR Proposal by the CSR Committee, the CSR Proposal shall be placed before the Board together with the recommendations of the CSR Committee for its consideration and approval. The Company will provide CSR funding only to such approved CSR Activities in accordance with the terms of this

## CSR Committee

As per rule 5 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the following are the Directors who shall be the members of the CSR Committee. Approved vide Resolution dated June 18, 2015, passed in the meeting of the Board of Directors of the Company.

- Arun Nathani, CEO & MD Cybage and member across all verticals
- Ritu Nathani, Director, Cybage, and Head - CSR, member across all verticals

The other committee members and their responsibilities are as follows:

Sr. No.	Name of the volunteer	Vertical	Sr. No.	Name of the volunteer	Vertical
1	Arun Nathani	All	8	Datta Jadhav	Khushboo
2	Ritu Nathani	All	9	Vipul Sharma	Khushboo
3	Pooja Patole	Community	10	Dipika Shelke	Khushboo
4	Rajanikaur Arora	Community	11	Swati Shinde	Rural & Khushboo
5	Ashalata Khandage	Content for Websites	12	Bharat Banate	Rural & Social
6	Lalkar Chhadewelkar	Khushboo	13	Siddharth Dixit	Social
7	Vishwa Kotecha	Khushboo	14	Satish Doshi	Social & Rural

## Responsibilities

The role of the CSR Committee of the Board of the Company shall be in accordance with Section 135 and other applicable provisions of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014 including any modifications or amendments thereof.

- The Committee shall hold meetings as and when required, to discuss various issues on implementation of the CSR Policy of the Company.
- To formulate and recommend an annual action plan in pursuance of CSR Policy and as per Companies Act 2013 and CSR Rules made thereunder.
- To monitor the CSR Policy as approved by the Board from time to time. ensure Company spending applicable CSR contribution
- Recommend projects that are in line with the CSR policy

- Recommend projects that are in line with the CSR policy
- Put monitoring mechanisms in place to track the progress of each project
- Recommend changes to the Board, if any, needed in the annual action plan with reasonable justification to that effect.
- Allocate, approve, and monitor budgets allocated for each project

## Governance and monitoring structure

The Company, through its registered Trusts, can undertake CSR activities as per the provisions of the Companies Act, 2013. Accordingly, these Trusts shall support the Board and work closely with it and the CSR Committee in implementing CSR activities of the Company. The CSR Committee will assist in identifying the areas, programs, and execution of initiatives as per defined guidelines. The CSR committee will deliberate on the proposals and approve or reject them at its discretion. The financial approvals shall be done by the Director trustees of the respective Trusts.

The CSR Committee shall institute a transparent monitoring mechanism for the implementation of CSR projects or activities undertaken by company. Time frames and suitable milestones shall be fixed for all CSR projects or activities.

## Location

All CSR projects and activities under this policy shall be undertaken in India. The CSR Committee shall decide on locations for implementation of the CSR projects and activities.

## Budgets

As set out in the Companies Act, 2013, the Company shall allocate a budget for the CSR initiatives for every financial year equivalent to 2% of its average net profits made during the previous three financial years.

A specific budget shall be allocated for each CSR activity. This budget shall be project-driven. The total budget for the CSR projects shall be decided by the CSR Committee.



## Treatment of surplus

Any surplus generated from CSR projects or activities undertaken by the Company shall be ploughed back into the same project or shall be transferred to the Unpent CSR Account and spent as per policy and 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 and channelized into the Company's CSR corpus and shall not part of 2% of CSR amt obligation. These funds shall be further used in the development of CSR projects and shall not form part of the business profit of the Company.

## Reporting of CSR initiatives

The CSR Committee of the Company shall periodically consider the progress report on the various CSR initiatives. Details of the CSR activities undertaken by the Company and the expenditure along with the reasons for the expenditure below budgeted levels, if any, shall also be reported in the Company's Annual Report under the Directors' Report in the format as indicated in the Companies Act, 2013. The activities taken up by the Company shall be displayed on the Company's website.

This policy shall be reviewed and updated from time to time as per amendments to the applicable statutes.

### **Governing Provisions:**

The terms used in this policy herein shall have the same meaning assigned to them under the Companies Act 2013 and CSR Rules as applicable to the company.

## Amendment of CSR Policy

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Guidelines on the subject as may be issued by the Government, from time to time.

The Board shall have the powers to revise/modify/amend this CSR Policy, from time to time, as the Board may think fit, based on the recommendations made by the CSR Committee to confirm to the requirements set out under the Act and the CSR Rules.

For any clarification or query relating to the CSR Policy, please contact:

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### **Cybage Software Pvt. Ltd.**

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