

CORPORATE SOCIAL RESPONSIBILITY POLICY

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VERSION HISTORY

S. NO.	VER. NO.	PREPARED BY	REVIEWED BY	REVISION DATE	APPROVED BY	RELEASE DATE	REASONS FOR NEW RELEASE
1	1.0	Legal Service Organisation	Global HR Head		Board of Directors		Baseline Version

1.0 OVERVIEW:

- 1.1 NIIT GIS Limited (“Company”) is a leading provider of information technology solutions in the field of geographic information systems and servicing customers across the globe while following global standards in its software development processes. The Company aims to ensure that in any association with society, society benefits substantially more than what society gives to us and what society would gain from any other similar association.
- 1.2 The corporate sector controls a significant portion of the society’s resources and therefore, it is imperative for companies to draw a balance between their right to grow and their responsibilities towards society and the environment. The concept of Corporate Social Responsibility (“CSR”) acknowledges the debt that a company owes to the community within which it operates as a stakeholder and it urges a company to embrace the “triple bottom-line” approach whereby its financial performance can be harmonized with the expectations of society, the environment and the many stakeholders it interfaces with and not just its own shareholders and employees.
- 1.3 The Company aims at promoting both primary and vocational education and enhancing employability to meet its CSR objectives. The Company plans to engage itself in building infrastructure and technical support for educational institutions and schools catering to under privileged children as one of its CSR objectives. To fulfill the above aim, the Company may collaborate with NIIT Technologies Limited (NTL), the holding company, in projects or programs identified by NTL. Further, NTL has identified NIIT University (“NU”), as one of the sources to fulfill its CSR obligations. NU, is a self-financing university and non-profit making institution located in Neemrana, Rajasthan which is promoted by NIIT Institute of Information Technology (“TNI”), a society registered under the Societies Act, 1860 (Central Act No. 21 of 1860). NU is also involved in the development of the course curriculum, course design, structure and courseware and provides assistance and support required for the project component of the last semester of the Master of Computer Application (“MCA”) Programme. NU has

been established with the objective to provide seamless, industry linked, technology based, research driven doctoral programs as well as under graduate and post graduate education.

2.0 Company's CSR POLICY:

2.1 This CSR policy ("Policy") spells out Company's philosophy towards its social responsibilities and lays down the guidelines, framework and mechanism relating to the implementation, monitoring, reporting, disclosure, evaluation and assessment of projects, programmes and activities forming part of Company's CSR.

2.2 The CSR Committee is empowered to recommend amendments or modifications to this Policy and such changes shall be placed before the Board of Directors of the Company ("Board") for approval. This Policy shall be displayed on the company's website.

3.0 Company's CSR VISION:

3.1 The Company recognizes that CSR involves ongoing commitment by businesses to contribute to the economic and social development of the society while improving the quality of life and building capacities of the local community and society at large.

4.0 OBJECTIVES OF CSR POLICY:

4.1 Through its CSR activities, the Company seeks to:

4.1.1 Promote the desire for learning and knowledge at every stage;

4.1.2 Significantly improve the quality of higher education and help in developing employment enhancing vocational skills;

4.1.3 Build social trusts;

- 4.1.4 Provide infrastructure support to build and sustain schools and educational institutions and undertake other infrastructure improvement programs;
- 4.1.5 Promote employment, community development and welfare;
- 4.1.6 Contribute towards environmental sustainability, ecological balance, protection of flora and fauna, agroforestry and conservation of natural resources;
- 4.1.7 Inculcate a sense of empathy and equity among employees of NTL by motivating them to give back to the society by involving them directly in the initiatives undertaken as part of CSR; and
- 4.1.8 Generate goodwill through its CSR initiatives and help reinforce a positive and socially responsible image.

5.0 APPLICABILITY OF THE POLICY:

- 5.1 This CSR Policy shall be implemented in accordance with the provisions of Section 135 of the Act and the rules thereunder. It shall apply to all projects / activities undertaken by the Company in India as per Schedule VII of the Act.
- 5.2 The CSR activities shall not include activities undertaken by the Company in pursuance of the normal course of its business.
- 5.3 Projects, programs or activities that solely benefit the employees of the Company and their families shall not be considered as CSR activities under this Policy.

6.0 CSR COMMITTEE:

- 6.1 The CSR Committee has been constituted in accordance with the provisions of the Act. It shall comprise of 3 (three) or more directors of which, at least 1 (one) director shall be an independent director. Permanent invitees to the meetings of the CSR Committee shall include the Chief People Officer, the Company Secretary and the Legal Head of NTL. The CSR Committee may invite other invitees/specialists, as and when required.

7.0 ROLE OF THE CSR COMMITTEE:

- 7.1 The CSR Committee shall be responsible for:

- 7.1.1 Formulating this CSR Policy in accordance with the provisions of the Act and rules thereunder and recommending modifications to the same in a periodical manner;
- 7.1.2 Identification of the initiatives and specification of the projects and programs for CSR and recommending the same to the Board;
- 7.1.3 Recommending the CSR budget and amount of expenditure to be incurred by the Company on CSR activities;
- 7.1.4 Putting in place a transparent monitoring mechanism for implementation of the programmes, projects and activities undertaken under this Policy and proper utilization of funds;
- 7.1.5 Periodically updating the Board on the progress being made in the planned activities; and
- 7.1.6 Providing a responsibility statement in the Board's report as to whether the implementation of the projects and programmes is in compliance with and fulfills the objectives of this Policy.

8.0 CSR CELL:

8.1 The CSR Cell has been constituted to assist the CSR Committee with the implementation and impact assessment of the CSR initiatives and development of Plan. The CSR Cell comprises of the following:

- 8.1.1 Chief People Officer of NTL;
- 8.1.2 Compliance Officer of NTL; and
- 8.1.3 Employees of the Company/NTL, as appointed by the Human Resource Department in consultation with Chief People Officer and Compliance Officer from time to time.

9.0 ROLE OF THE CSR CELL:

- 9.1 The CSR Cell shall be responsible for:
 - 9.1.1 Determining the modalities of execution including targets and timelines in consultation with the CSR Committee;

- 9.1.2 Ensuring that implementation of all projects, programs and activities is being carried on in accordance with the above;
- 9.1.3 Undertake the impact assessment of all CSR activities;
- 9.1.4 Maintaining documents and accounts pertaining to all CSR activities of the Company;
- 9.1.5 Providing periodic reports to the CSR Committee on implementation as well as assessment carried out through field visits and feedback sessions; and
- 9.1.6 Assisting the CSR Committee in preparation of the annual report on CSR.

10.0 PROJECTS, PROGRAMMES & ACTIVITIES:

- 10.1 The CSR Committee shall identify and evaluate programmes, projects and activities in line with this Policy and place it for the approval of the Board. The identification of the programmes, projects and activities shall be based on internal assessment, receipt of proposals, ground-level discussions and studies by professional bodies.
- 10.2 The Company shall develop a strategy with respect to new projects or programmes after identifying the target group and focus areas it wishes to harness; operationalize the institutional mechanism i.e., choosing the implementing agency whether in-house or out-sourced and identifying the implementation model which could range from giving grants to direct project execution; develop the project with defined activities, targets, timelines, budgets etc., finalize the arrangement with the implementing agency so selected; and continue monitoring of progress and reporting.
- 10.3 The Company may collaborate with its holding, subsidiary and associate companies for undertaking projects or programmes or activities in a manner such that the CSR Committee of the Company as well as the committees of such companies are in a position to report separately on such programs, programmes or activities, in accordance with the prescribed law.

11.0 IMPLEMENTATION:

- 11.1 The Company shall continue to undertake its CSR activities through NU and such other NGOs or agencies that meet the criteria prescribed under law.
- 11.2 The projects, programs or activities identified by the CSR Committee and approved by the Board shall be implemented in a project mode through the CSR Cell which will entail charting the stages of execution through planned processes, measurable targets, mobilization and allocation of budgets and prescribed timelines. It also involves assigning of responsibility and accountability. Suitable documents / agreements shall be entered into with NU and the other agencies for the purposes of implementation of the projects. The conditions of grant of amounts for all CSR activities, projects and programs and the break-up of the allocations shall be set out and evaluated from time to time.

12.0 CSR EXPENDITURE ALLOCATION & DISBURSEMENT OF FUNDS:

- 12.1 The CSR Committee shall recommend the annual budget for each project, programme or activity in accordance with this CSR Policy and applicable law, for the consideration and approval of the Board. The CSR Committee will also determine and recommend to the Board for its approval, the allocation and distribution of CSR spends within the different projects, programs and activities undertaken. The schedule of disbursements shall be linked to the planned projects / activities. The corpus for CSR expenditure shall include 5% of the average net profits during the 3 (three) immediately preceding financial years subject to a minimum of 2% of the average net profits calculated in accordance with the provisions of Section 198; (b) any income arising therefrom; and (c) any surplus arising out of CSR activities.
- 12.2 The overall CSR expenditure shall be approved by the Board in its meeting based on the recommendations of the CSR Committee. CSR expenditure shall include all expenditure including contribution to corpus, or on projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee.

12.3 The CSR Cell may, in consultation with the CSR Committee, decide to build CSR capacities of its own personnel as well as those of NU and the other agencies. However, the expenditure towards the same shall not exceed 5% of the total CSR expenditure of NTL in one financial year.

13.0 MONITORING:

13.1 The CSR Committee will monitor the programs and projects to ensure that they are being carried out in compliance with this Policy and the Act and in accordance with the approved budget. Money expended towards CSR shall be released only against verification of utilization of funds as per approved work-plans and timelines. Verification may be done through review of documents, field visits and through an active feedback mechanism.

13.2 To ensure effective implementation of the CSR projects, programmes and activities undertaken in terms of the Policy, the progress of each such project, programme and activity will be reviewed by the CSR Committee on a quarterly basis, with all requisite documentation. Such reviews shall be carried out with the objective of identifying slippages, if any, and taking appropriate corrective action to resolve such slippages after thorough discussions with the CSR Cell.

13.3 All CSR activities and expenses made thereon will be audited in a transparent manner.

13.4 Any surplus arising out of CSR projects/programmes or activities shall not form part of the business profits and shall be invested into the CSR programme/project.

13.5 In the event it is observed that any CSR activity taken up is not being implemented in the desired manner, the CSR Committee may, with the approval of the Board, discontinue funding of such project at any time during the course of implementation and deploy such funds for any other project/ activity or programme.

14.0 IMPACT ASSESSMENT:

- 14.1 Regular and interactive feedback sessions shall be conducted at all levels i.e., with NU and the other NGOs through which CSR activities are being undertaken as well as the respective beneficiaries of all CSR activities undertaken by NTL.
- 14.2 Field visits shall be conducted at regular intervals to ensure effective implementation.
- 14.3 Proper documentation shall be done in an MIS format to record key observations of such feedback sessions and field-visits.
- 14.4 If deemed necessary by the CSR Committee, the effectiveness of the various programmes/ activities undertaken under CSR may be evaluated through external agencies and reports shall be prepared pursuant to such evaluation.

15.0 REPORTING:

- 15.1 A half yearly report on implementation shall be submitted to the Board by the CSR Committee.
- 15.2 The CSR Committee shall prepare an annual report on CSR, in the format prescribed under the Act and such report shall be included in the Board's report annexed to the financial statements. The report shall be signed by the Chairman of the CSR Committee and the Director of the Company.

16.0 GENERAL:

- 16.1 The CSR Committee shall have the power to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of this Policy. The Company reserves the right to modify, cancel or amend this Policy from time to time based on changing needs and aspirations of the target beneficiaries.