



# CSR Charter and Policy

Version 1.1

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## A. Purpose of CSR Charter

This charter is created to serve as the constitution of the CSR Committee. It explains the formation of CSR Committee, selection of members, roles and responsibilities of Committee, roles and responsibilities of the Board of Directors in relation to CSR, ascertaining the CSR spending targets, utilization of the funds of InfoCepts Technologies Pvt Ltd (InfoCepts) and establishing transparent monitoring mechanism to review the whole CSR process.

## B. Purpose of CSR Committee

The Companies Act, 2013, by virtue of section 135 mandates every company fulfilling certain parameters, to constitute a Corporate Social Responsibility Committee (CSR Committee) of the Board of Directors. The parameters are as follows:-

1. net worth of rupees five hundred crore or more; OR
2. turnover of rupees one thousand crore or more; OR
3. net profit of rupees five crore or more during any financial year

Since InfoCepts Technologies Pvt Ltd fits in the third parameter, it is mandatory to constitute CSR Committee of Board of Directors.

InfoCepts has been involved in CSR Activities driven by its associates from time to time. With the passing of new Companies Act, InfoCepts has got an opportunity to give a more formal structure to its efforts. The CSR Committee will act as formulating and executing body of InfoCepts' CSR efforts.

## C. Responsibilities of CSR Committee

1. Formulate, recommend to the Board and monitor the Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by InfoCepts:-
  - a. As per The Companies Act, 2013
  - b. Other voluntary CSR Activities
2. To ensure that the policy is updated on InfoCepts' website at all times;
3. Recommend the amount of expenditure to be incurred on the activities referred to in 1.a and 1.b above; and

4. To direct the execution of the CSR projects/activities approved by the Board. The Committee can create sub-committees for such execution.
5. To provide quarterly reports to the Board of Directors on various activities undertaken, funds utilization and balance funds. If there are no activities performed in the quarter, the quarterly report shall mention the same. If at the end of the year, the Committee is not able to utilize the target funds, explanation shall be provided to the Board in the quarterly report.

To provide such reports to the Board of Directors as required from time to time.

## D. Selection of Members and Appointment of Sub-committees

The CSR Committee of the Board of Directors will constitute Committee with minimum directors as mandated by the Act from time to time. By passing resolution, the Board of Directors will decide who will be the members of CSR Committee. The Board can decide on the rotation of members.

**Appointment of Sub-committees:** CSR Committee may appoint sub-committees for planning and execution of activities by following the below-mentioned guidelines:-

1. The sub-committee should constitute at least three members.
2. The sub-committee members shall not have any personal stake in the activities.

The sub-committee shall function under the similar guidelines on transparency and reporting given under this Charter.

## E. Responsibilities of the Board of Directors

1. After taking into account the recommendations made by the Corporate Social Responsibility Committee, approve the Corporate Social Responsibility Policy and disclose contents of such Policy in its report and also place it on InfoCepts' website within three months from approval of policy.
2. Ensure that the activities as are included in Corporate Social Responsibility Policy of InfoCepts are undertaken and seek reports and information on the progress on CSR activities undertaken by the CSR Committee.

3. Ensure that InfoCepts spends, in every financial year, as mandated by the Act (currently two per cent of the average Profit Before Tax made during the three immediately preceding financial years), in pursuance of its Corporate Social Responsibility Policy. For the purpose of calculation of minimum CSR expenditure under the Act, only activities under Schedule VII for the benefit of Company's local area will be considered and no other voluntary activities.

Provided that if the Board fails to spend such amount, the Board shall, in its report to the Members of the Company (Directors Report in the Annual Report), specify the reasons for not spending the amount.

## F. CSR Policy

1. The CSR Policy shall include the following, namely:-
  - a. A list of CSR projects or programs planned to undertake:-
    - i. within the purview of the Schedule VII of the Act, specifying modalities of execution of such project or programs and implementation schedule for the same and ensuring that activities are undertaken in local areas
    - ii. Other voluntary CSR Activities
  - b. Transparent Monitoring Process of such projects or programs.  
Provided that the CSR activities does not include the activities undertaken in pursuance of normal course of business.
2. The CSR Policy shall specify that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit.

## G. Identification of CSR activities

Schedule VII of the Act provides an indicative list of CSR activities. The Schedule VII is attached herewith. This Schedule VII may be changed by the Government from time to time and will be made available to the CSR Committee of the Board by the Company Secretary.

The Committee may undertake activities other than as mentioned in this Schedule VII with ADDITIONAL BUDGET.

## H. Undertaking CSR Projects

1. The CSR activities shall be undertaken as per the stated CSR Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.
2. CSR activities can be undertaken through a registered trust or a registered society or a company established InfoCepts or its holding or subsidiary or associate company under section 8 of the Companies Act, 2013 or otherwise.

Provided that:-

- a. If such trust, society or company is not established by InfoCepts or its holding, subsidiary or associate company, it shall have an established track record of three years in undertaking similar programs or projects; and
  - b. InfoCepts has specified the projects or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.
3. InfoCepts may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programs in accordance with these rules.
  4. The CSR projects or programs or activities undertaken in India only shall amount to CSR Expenditure for the purpose of ascertaining CSR Expenditure under the Companies Act, 2013.
  5. The CSR projects or programs or activities that benefit ONLY InfoCepts associates and their families as well as undertaken by associates' contribution only (eg. iCARE) shall not be considered as CSR activities for the purpose of ascertaining CSR Expenditure under the Companies Act, 2013.

6. InfoCepts may build CSR capacities of its associates as well as its implementing agencies through institutions with established track record of at least three financial years but such expenditure shall not exceed five percent of the total CSR expenditure in one financial year.
7. Contribution to any amount directly or indirectly to any political party shall not be considered as CSR activity.

## I. Calculation of target amount for each year's CSR spending

Target amount for CSR expenditure will be provided to the CSR Committee of the Board by the head of Finance Function. In the beginning of Financial Year, a tentative number will be provided and final number will be shared after the adoption of audited accounts in the Annual General Meeting.

## J. Transparent Monitoring Mechanism – Some Guidelines

This charter only provides some pointers to create a transparent monitoring mechanism. The final mechanism will be the one created by the CSR Committee of the Board in CSR Policy.

The pointers are as follows:-

1. At least one associate, who is not a member of CSR Committee of InfoCepts should be present at the time of planning, discussion and execution of CSR activities as an independent participant.
2. Funds target, utilization and balance (if any) should be verified by the Independent Participant.
3. The budget, annual plan of CSR Activities and all related reports should be published regularly on InfoHub in a separately identified folder. Similarly the policy and other updates should be made available in printed form at the Reception.
4. The quarterly progress report should be published in Pulse (InfoCepts' associates magazine) and the Annual Report on CSR Activities should be published in Pulse as well as on InfoCepts' website.
5. Ensuring that the mandatory Annual Report on CSR Activities is being reported to members of the Company along with Directors Report and Audited Financial Statements.



## K. iCARE

iCARE (InfoCepts Care & Relief Efforts) is the informal group of InfoCepts associates volunteering to undertake activities for social causes. iCARE regularly organizes such activities wherein funds are contributed by associates and these collected funds are spent on social causes as decided by the iCARE team. If the CSR Committee so decides, iCARE may act as the executory body for CSR Committee of the Board. In such cases, along with the activities under associates' initiatives, the CSR Committee's activities will also be performed by the iCARE. However iCARE's activities undertaken without monetary contribution from InfoCepts will not be considered under targeted CSR Spending under the Act.

## Annexure 1

### Schedule VII of the Companies Act, 2013

#### ACTIVITIES WHICH MAY BE INCLUDED BY COMPANIES IN THEIR CORPORATE SOCIAL RESPONSIBILITY POLICY

Activities relating to:—

- i. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- ii. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- iii. 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;
- iv. 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;
- v. 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;
- vi. measures for the benefit of armed forces veterans, war widows and their dependents;
- vii. training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
- viii. 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 Castes, the Scheduled Tribes, other backward classes, minorities and women;
- ix. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- x. Rural development projects



# InfoCepts CSR Policy

Charter

Version 1.1

## L. Background

InfoCepts and InfoCeptians have always been keen on contributing to the social upliftment and there is a track record of successful initiatives undertaken by InfoCeptians. With the introduction of CSR provisions in the Companies Act, 2013, Board CSR Committee (“CSR Committee”) has been appointed by the Board of Directors. Mr. Shashank Garg (Managing Director), Mr. Rohit Bhayana (Director) and Mr. Dinesh Kumar Garg (Director) are the members of the CSR Committee. InfoCepts CSR Charter serves as the constitution of the CSR Committee.

This Policy is created to provide guidelines for undertaking CSR activities at corporate level under the InfoCepts CSR Charter. This Policy identifies the focus areas and enables Board CSR Committee to execute its CSR activities. The InfoCepts CSR Charter is the constitution of CSR Committee whereas InfoCepts CSR Policy provides for how activities will be undertaken within the constitution of the Charter.

## M. Focus Areas

The list of activities suggested under the Companies Act, 2013 and Rules is very comprehensive one. At the same time, InfoCepts wants to explore various areas and see where the Company and its associates may contribute most effectively. Therefore for the first year *i.e.* Financial Year 2015-16, there are no specific focus areas identified for the Company. After an experience of one year, the CSR Committee will look back at its experience and will set focus areas. For this year, CSR activities and projects will be preferred based upon following criteria:-

- a. Where the Company can use its prior CSR experience and professional skills.
- b. The project should have good social impact.
- c. The project is in line with what InfoCeptians are most willing to do.

CSR activities can be undertaken by InfoCepts with/without partnering with established NGOs/Voluntary Organizations as approved by CSR Committee.

## N. Location for CSR Activities

The CSR committee will decide on the locations for CSR activities.

## O. Parameters for Selection of CSR Activities

While selecting the CSR activities following parameters should be observed:-

- a. First preference to Focus Areas
- b. Greater social need and impact (what will be number of beneficiaries, how it will impact their lives)
- c. Opportunity to maximum number of InfoCeptians to participate (how many associates will get a chance to connect with beneficiaries)
- d. Bandwidth available with InfoCepts (can the activity be accommodated with busy work routine, how efforts intensive it is going to be)

Whenever an Associate is interest to recommend an activity or initiative to iCARE, he/she needs to provide details of the same in CSR Activity Proposal in the format as provided in Annexure – II. Upon submission of the Proposal, iCARE may discuss with the Proposer about the Proposal in detail. If the Proposal passes InfoCepts Parameters, iCARE will forward the Proposal to CSR Committee for their consideration. CSR Committee reserves the right to approve/reject the Proposal in consultation in Board of Directors.

## P. Authorization to iCARE to Execute CSR Projects

InfoCeptians have been contributing towards social cause since long under the name iCARE. The CSR Execution Team will be called as iCARE. iCARE shall execute the projects (exclusively through InfoCeptians and/or volunteers and/or in partnership with selected NGOs / Agencies / Institutes / Corporates / Entities) as approved by the Board of Directors. Projects may also be executed partially or entirely through selected partner entities with iCARE being the donor entity. Annexure III deals with the process of selecting volunteers and/or partner entities.

Structure of iCARE:-

- a. **Head:** The head of the iCARE shall be nominated by the CSR Committee. The Head shall be responsible for planning of approved CSR Projects, reporting to the CSR Committee and overall conduct of iCARE. The Head of iCARE shall have tenure of two years and shall be eligible for one re-appointment.

- b. **Executive Team:** The Executive Team members shall be nominated by the CSR Committee. The Executive Team shall manage the CSR Projects at High Level and members shall be responsible for particular CSR Project(s) allocated to him/her. Executive Team members shall have tenure of one year and shall be eligible for one re-appointment.
- c. **CSR Project Team:** There will be separate teams for each CSR Project. Members of Project Teams shall be selected by the Head and Executive Team. Project Team shall execute the projects and report to their respective Executive Team member. Project Teams shall dissolve at the completion of the project or shall be eligible for one re-appointment.
- d. **CSR Project Partners:** Projects may be initiated and executed through Partner Agencies such as NGOS, Institutes, Organizations, Corporates / etc. CSR Activities may be executed either exclusively through them or jointly / in partnership. InfoCepts CSR will provide financial / non-financial assistance / donations / grants to such partner agencies for carrying out activities / projects / programs on behalf of InfoCepts CSR wholly or partially.

## Q. Roles and Responsibilities of iCARE Head

- a. Monitoring CSR activities and taking corrective actions wherever required.
- b. Selection / nomination of CSR Executive Committee members for the financial year.
- c. Removal of members from CSR Executive members due to any reason such as being non-active, personal conduct, etc.
- d. Allocation of CSR Projects amongst iCARE Executive Team members.
- e. Selection of Project Partners in consultation with Director and executing the project / program through them (including selection of activities as well as financial consideration).
- f. To maintain records of CSR expenses and track utilization of CSR Budget.
- g. To report to the CSR Committee on quarterly basis in the format provided in Annexure – I.
- h. Preparation of annual report on CSR activities to be presented to the Board of Directors and attached with the annual financial statements along-with other reports.
- i. To conduct audit (internal or external) to evaluate the fairness of CSR expenditure.

## R. Roles and Responsibilities of iCARE Executive Team

- a. To create Project Teams for the execution of CSR Project allocated.
- b. To select, nominate, remove or replace members of Project Team working with him/her.

- c. To ensure proper execution of the CSR execution Project under him/her.
- d. To assist iCARE Head in preparation of reports.
- e. Collectively with iCARE Head, to create and recommend Annual CSR Project Plan and ad-hoc CSR activities/initiatives to the CSR Committee. The template for the same is provided in Annexure – I.

## S. Functions of iCARE Project Team

- a. To undertake the CSR Projects.
- b. Sharing with InfoCeptions CSR annual plan, activities and the impact.
- c. Assist in creation of CSR Project Reports.
- d. To provide assistance as and when required by the iCARE Head and Executive Team.

## Annexure – II

### CSR Activity Tracker

[Click this Link to view CSR Activity Tracker](#)

## Project Activity & Expense Tracker

**Total Budget** **500,000.00**

Project Name / ID	Project Category	Sr. No.	Date	Objective	Description of Activity conducted	Amount
01 - Shantibhavan	Education	1	25-Jul-15	Education Kit	Provided note books, Text books, etc.	25000
01 - Shantibhavan	Education	2	01-Aug-15	Enhance Education	Provided Tuition Teacher's honorarium for the month of July 2015	25000
02 - Bal Sadan	Health	3	27-Jul-15	Health Check-up camp	Conducted health check-up camp	15000
02 - Bal Sadan	Health	4	27-Jul-15	Health Check-up camp	Distributed Hygiene kits	45000
<b>Total</b>						<b>110000</b>
Budget remaining as on						390,000.00



## Annexure – III

### CSR Activity – Initial Proposal from InfoCeptions (Template)

<b>1.1. Details of Proposer / Associate</b>	
Name	
Designation	
How you became aware of need	
Relation with Beneficiary (if any)	
<b>1.2. Details of Beneficiary / Organization</b>	
Name of the Beneficiary / Organization	
Name and phone number of Contact Person	
<b>1.3. Details of Project</b>	
What is the activity	
Tentative Budget Required	
<b>1.4. Social need and impact</b>	
Who are beneficiaries	

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Tentative number of beneficiaries	
How it will help them to lead a better life	
<b>1.5. Employee engagement and satisfaction</b>	
How many associates can participate	
How much time per associate will be required?	
<b>1.6. Tentative Budget Required</b>	
Please provide budget in INR	* Fill Budget in below template (in Excel)
<b>1.7. Additional Information</b>	
Please provide any additional information which will help CSR Committee to decide on project	

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I certify above details to be true.

.....

Name:

Employee ID:

Date:

Place:

**Budget Template:**

Broad Category Education

Proposed Budget 50,000.00

Sr. No.	Objective	Description of Activity	Budget Amount
1	Education Kit	Provide note books, Text books, etc.	25000
2	Enhance Education	Provide Tuition Teacher's honorarium	25000
		<b>Total</b>	<b>50000</b>

## Annexure – IV

### Process & Criteria of Selecting Volunteer and/or Partner Entities

#### Criteria:

1. Volunteer / Partner Entities must be renowned Registered Organizations (i.e. Registered with appropriate government authorities as NGO / Trust / Society / Corporate).
2. Their duly audited financial records of minimum last 3 years should be available for scrutiny.
3. Members of their Board should be renowned and of proven integrity.
4. Vision, mission, goals and objectives of such entities should be aligned with InfoCepts' CSR vision, mission, goals and objectives.
5. Such entities should have a proven track record in handling finances honestly and transparently and should be working for specific focus areas aligned to InfoCepts' CSR.

#### Process:

1. A request should be raised to partner / collaborate with each other by either entity
2. CSR Head will place such a request before the approving authority (CSR Committee in case of InfoCepts).
3. Authorized Representative(s) of partner agency will get required approval from their apex / approving authority.
4. The request should contain details of proposed project / scope of work / activity that is intended to be taken up jointly or exclusively by any of the entity supported by required documents.
5. Roles of each entity to be specifically recorded for clarity.
6. CSR Committee will deliberate upon such a proposal and take a decision to accept or reject such a partnership after weighing the pros and cons.
7. CSR Committee will convey its decision to CSR Head assigning reasons thereof. CSR Head will convey the decision to requesting entity.
8. If CSR Committee accepts forming such a partnership, the same will be taken up to be executed by CSR Head through the implementing routes.