

Corporate Social Responsibility Policy Of SICOM Limited

With a view to inculcate a sense of social responsibility amongst the Corporates, the Government of India introduced a new provision in the nature of section 135 in new Companies Act, 2013.

Applicability

Section 135 stipulates that:

1. Every Company having a net worth of atleast Rs. 500 crores or
2. Every Company with a turnover of atleast Rs. 1000 crores or
3. Every Company having a net profit of atleast Rs. 5 crores

during any financial year has to comply with the requirements stipulated in the section. As SICOM's net profit during the year is over Rs. 5 crores, it has to comply with the applicable provisions.

CSR Activities

SICOM can undertake only such CSR activities as are stated in the CSR Policy approved by the Board i.e. this policy document, which is within the scope laid down by Schedule VII of the Companies Act, 2013.

SICOM has decided to undertake CSR activities by providing funding for technology incubators, health and health care, preservation & promotion of art, culture and related activities, which will be implemented departmentally under the direction of the CSR Committee.

Approved Activities

SICOM has selected Item (ix) from the above listed Schedule VII and has decided that as a part of its CSR activities for the FY 2014-15, SICOM will provide funds to Technology Incubators attached to government supported accredited academic institutions. Accordingly, SICOM intends to fund Technology Incubators through seed funding and/or construction of additional space for the Technology Incubators to enable them to expand their work.

Implementation of CSR Activities

SICOM has been undertaking its CSR activities through its Company Secretary and shall continue to do the same.

Composition of the CSR Committee

1. Shri Jayant Banthia, Chairman of the Board and CSR Committee
 2. Shri Ashish Kumar Singh – Managing Director
 3. Shri Rahul Gupta - Nominee of JCF
 4. Shri P.B. Nimbalkar - Independent Director
 5. Smt. Neera Saggi - Independent Director
- Company Secretary will service the CSR committee.

Monitoring Framework

The CSR Committee will monitor the implementation of the CSR Policy through periodic reviews of the activities undertaken. In compliance with the Act and to ensure funds spent on CSR programs are creating the desired impact on the ground, CSR Committee authorises the Company Secretary of SICOM to co-ordinate the activities with outside agencies so as to ensure that:

- i) The CSR policy is implemented as per the Act and the Rules.
- ii) The CSR policy is implemented ensuring that all projects/programs as budgeted are duly carried out
- iii) The CSR spends are closely monitored and funds are released as per the approved work plans.
- iv) The CSR expenditure is audited in an accountable and transparent manner
- v) There is periodic reporting and review by the CSR committee and periodic reviews by the Board.

Annual CSR Reporting

The CSR rules have provided the format in which the Board of directors of the Company will have to make its annual report in respect of the CSR activities including various projects and programs conducted during the financial year.

The first annual report on the CSR activities of SICOM will be for the financial year 2014-15, which will form a part of the directors' report for the said year. It has to be as per the prescribed format of the annual report.

Average Net Profit & CSR Expenditure

The average net profit of SICOM for last three financial years is Rs 227.33 crores. Prescribed CSR expenditure (at 2%) during the financial year 2014-15 is Rs. 4.5 crores.

Policy Review

The CSR Committee will review the CSR Policy from time to time, if required and modify the same as and when required subject to the approval of the Board of the Company.
