

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Objective

The objective of Corporate Social Responsibility (CSR) Policy at R Systems International Limited (RSIL) is to support our constant endeavour to bring about positive difference to communities where we exist. Through the CSR initiatives, the Company strives to provide equitable opportunities for sustainable growth, thereby aligning with our goal to build RSIL into an organization which maximizes Stakeholder Value.

The Company would engage in activities whereby business further contributes to make a positive and distinguishing impact on the environment, customers, employees and other stakeholders.

The CSR Policy of the Company would develop a systematic approach to administer CSR activities undertaken as per the Policy.

2. Definition

Corporate Social Responsibility is a means to balance economic, social and environmental objectives while addressing stakeholder expectations and enhancing shareholder value. It is a responsible way of doing business.

3. Core Areas of CSR

- 1) The CSR objective of the Company will be achieved through concentrated and dedicated initiatives encompassing the following identified core areas:
 - Education
 - Health & Medical Care
 - Community at large
 - Environment
 - Sports
- 2) Any other initiative/s which may not fall under the purview of the above core areas may also be taken up by the Company, subject to recommendation of the CSR Committee and approval by the Board members.
- 3) Alternatively the CSR Committee may choose to focus on any one or more of the above core areas for its efforts dedicated towards CSR.

4. Execution/Implementation and Monitoring Mechanism

A. Execution/Implementation of CSR activities:

RSIL may conduct/implement its CSR activities through :

- a. its employees, a core CSR team may be formed for the same or/and
- b. Trusts, Societies, or Section 8 companies operating in India, whether set up by the Company itself or not or/and
- c. Collaborating or pooling resources with other companies/organisations to undertake CSR activities.
- d. Selection of any high potential organization and to support the same for undertaking CSR activities.

B. A sample list of Projects/initiatives to be undertaken would be as follows:

EDUCATION:

- Education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.
- Providing financial assistance to schools for construction/renovation/repair of hostels, school buildings, classrooms etc.
- Computer based literacy programs for unprivileged children in nearby villages in the locality. Alternatively tie up with computer institutes could also be looked at.
- Sponsoring computer teachers in schools of nearby Noida localities/ villages.
- To encourage the development of human capital of the Nation by expanding human capabilities through skills development, vocational training etc. and by promoting excellence in identified cultural fields.
- Contribution or funds provided to technology incubators, located within academic institutions which are approved by the Central Government.
- Awards/scholarships to meritorious students.

HEALTH & MEDICAL CARE:

- Promoting preventive Health care measures and creating healthcare awareness,
- Donation of ambulances to Medical Centres/Hospitals/NGOs, hearing aids/wheel chairs to physically challenged people,
- Financial assistance and medical equipments to hospitals, dispensaries etc.,
- Actively supporting healthcare programmes of nearby hospitals,
- Funding charity hour programmes etc.

COMMUNITY AT LARGE:

- 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.
- Increase employment count of especially abled employees in the Company.
- Rural development projects.

ENVIRONMENT:

- Recycling waste for energy production and installation of solar panels.
- Reducing paper usage for prints etc. Observing no print day at least once a month.

SPORTS:

- Promotion of rural sports, nationally recognised sports, Paralympic sports and Olympic sports.

The above is a sample list of activities and may be expanded by the CSR Committee anytime.

C. MONITORING MECHANISM

- Corporate Social Responsibility (CSR) Committee, a committee of the Board shall monitor the overall CSR initiatives of the Company. It has the following mandate by the Board :
 - To formulate and recommend a CSR policy to the Board;
 - To recommend amount of expenditure to be incurred on CSR activities;
 - To monitor the CSR policy of the company from time to time.

- The CSR Committee, shall prepare a transparent monitoring mechanism for ensuring implementation of the initiatives/ activities undertaken by the Company.
- Report on progress of the projects to be shared by the Core CSR team quarterly with the CSR Committee and by the CSR Committee to the Board on a semi-annual basis.

5. CSR Corpus

- The CSR Committee shall assign the corpus for CSR activities, which shall be invested to cover all the expenditures on CSR activities from the returns that the fund earns.
- CSR corpus to comprise of the following:
 - 2 percent of average net profits of the Company for the preceding three financial years
 - Any income arising therefrom
 - Surplus arising out of CSR activities
 - Other operational items

Surplus arising out of the CSR activities will not be part of business profits of the Company.

6. General Guidelines

- The CSR team shall produce and disseminate information on CSR to the public through different media, as per the mandate of the CSR Committee.
- The endeavour shall be to create a spirit of volunteerism amongst the employees for execution of the projects under this policy.
- The Company shall adopt fair and inclusive practices throughout the operations and seek to eliminate all prejudice.
- Compliance with this policy shall be continuously monitored, reviewed and updated subject to review by the CSR Committee.
- Preference for undertaking CSR activities may be given to the local areas in and around the area of operation of RSIL in India.

7. Changes and Modifications

Any changes and modifications in the policy to be at the discretion of the CSR Committee only.