

ANNUAL REPORT ON CSR ACTIVITIES

Brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

Corporate Social Responsibility (CSR) 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.

The objective of CSR framework at Nucleus is to encourage the stakeholders to have a more meaningful engagement with the business rather than the often-prevalent one-sided expectation driven engagement.

Your Company has set up Nucleus Software Foundation (NSF), a Trust for the purposes of undertaking CSR activities of the Company.

The CSR Policy may be accessed on the Company website link: <http://www.nucleussoftware.com/investors>.

As per the CSR Policy, the objective of CSR will be achieved through concentrated and dedicated initiatives/projects encompassing the following identified core areas:

Education –

- o To encourage the development of human capital of the country by expanding human capabilities through skills development, vocational training etc. and by promoting excellence in identified cultural fields.
- o Including special education and employment enhancing vocation skills specially among children, women, elderly, and differently abled and livelihood enhancement projects
- o Providing basic computer based literacy programs for unprivileged children in nearby villages
- o Assisting in providing better infrastructural facilities to schools for construction/renovation/repair of hostels, school buildings, classrooms etc.

Health & Medical Care –

- o Promoting preventive health care measures
- o Assisting in providing better infrastructural facilities to Medical Centres/Hospitals/Dispensaries etc.
- o Actively supporting healthcare programmes of nearby localities.

Community at large –

- o Setting up homes and hostels for women, orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- o Promote employment opportunities for differently abled persons.
- o Development of rural based projects

Environment –

- o Promote ecological balance, protection of flora and fauna, animal welfare, conservation of natural resources and maintaining quality of soil, air and water.
- o Promoting recycling waste for energy production and installation of solar panels.

Focus areas :

During the year, the Nucleus Software Foundation (NSF) worked towards its aim to make the educational quality standards better for the underprivileged children studying at government primary schools and NGO aided schools, through its benchmark remedial program, NSF Hybrid Learning Program.

The NSF team has designed a remedial program to bridge the gap identified by the baseline test conducted across the selected schools. The program bridges the gap of the student in the area of Math and English. The aim is to bring children closer to the learning levels appropriate for their assigned classes. The program helps in learning through the well-curated teaching learning material, practice notebooks, engaging digital content, and doing intelligent assessments. The digital content on the tab is mapped to the remedial program which we have designed based on the learning level of the student.

We were able to reach over 2500 students across 70 schools In Noida, Greater Noida, and Dehradun. The program was run in an intensive mode, with facilitators from our implementing partners', at the selected 30 schools on a daily basis.

In the remaining schools of Greater Noida, we had trained the selected teachers of the respective schools to manage the program. We have seen a great positive shift in the learning levels of children in these government schools.

Besides the government schools, we worked extensively with an NGO learning centre in Ghaziabad where we sponsored their human resource, rental cost, and helped them in designing an effective learning program. The students of NGO use NSF Hybrid Learning Program quite extensively. We also conducted sports day and some other recreational activities for them.

The other CSR initiatives undertaken by the Foundation during the year were:

- Sponsored tuition and hostel fees for two students of IIT Roorkee.
- Supported the training needs of nine young kids in the Vikasnagar area of Dehradun where we worked in government schools.
- Skill Development and livelihood support: Provided tailoring training to the underprivileged women in Chennai.
- Assisting an NGO 'Ables Charity' at Faridabad and 'Samriddhi Trust' at Sadarpur Noida to run their bridge schools for out-of-school children.

CSR committee: In accordance with the requirements of Companies Act 2013, the Company has a Corporate Social Responsibility Committee comprising of a majority of Independent Directors and chaired by an Independent Director. The CSR Committee comprises of Prof. Trilochan Sastry- Chairman of Committee, Mr. Vishnu R Dusad , Mr. Prithvi Haldea and Mr. S. M. Acharya.

Average net profit of the Company for last three financial years for the purpose of computation of CSR:

As per the Section 135 of the Companies Act, 2013 and Rules made thereunder, the Company is required to mandatorily spend at least two per cent of the average net profits of the Company made during the three immediately preceding financial years, on prescribed CSR activities.

Particulars	(Amount in ₹ crore)
a. Average net profits of the Company for the last three financial years	50.97
b. Prescribed CSR expenditure (2% of average net profits as above)	1.02
Details of CSR expenditure during the financial year (FY 18-19)	
c. Amount contributed to Nucleus Software Foundation by the Company	1.02
d. Amount spent by Nucleus Software Foundation	0.62
e. Amount unspent for financial year (FY 18-19) (b-d)	0.40

The manner in which the amount was spent during the financial year is detailed as below:

CSR project or activity	Sector in which the project is covered	Location of the Projects / programs	Amount outlay (budget) (in ₹ crore)	Amount spent on the projects or programs (in ₹ crore)	Cumulative expenditure upto the reporting period (in ₹ crore)	Amount spent: Direct or through implementing agency
i. Expenditure on Project /Programme						
Enabling Quality Education	Promoting education	Delhi and surrounding areas in Noida (UP)	0.28	0.28	0.28	Through Nucleus Software Foundation
		Delhi and surrounding areas in Noida (UP)	0.15	0.15	0.15	Implementation through support partner Foster and forge foundation partner
Educational assistance	Promoting education	IIT Roorkee	0.01	0.01	0.01	Through Nucleus Software Foundation
		Delhi /NCR/ Dehradun	0.15	0.15	0.15	
Administration expenses	Overheads		0.03	0.03	0.03	Through Nucleus Software Foundation
Total			0.62	0.62	0.62	

Reasons for not spending the prescribed amount

NSF is currently studying the effectiveness and success of its main program - NSF Hybrid Learning Program. The Foundation will be expanding this program in future and will also increase the scope of work in the core area of education.

There was a shortfall of ₹ 0.40 crore in the expenditure done on CSR activities by the Foundation, with regard to the amount mandated as per law.

In furtherance of its aim, to make educational quality better, NSF also contributed following amounts post closure of FY 18-19 :

S.No	Name of Agency	Amount spent on the projects or programs (in ₹ crore)	Amount spent: Direct or through implementing agency
1.	Parivaar Education Society- to assist in running their learning centres for tribal kids in Madhya Pradesh.	0.10	Through Nucleus Software Foundation
2.	Mahan Trust- to assist them in providing yoga education to tribal kids of Melghat region of Maharashtra	0.05	Through Nucleus Software Foundation
3.	The action northeast Trust (ANT) - to assist in running a program to improve the learning outcome in Maths for the tribal kids of Chirang region in Assam	0.05	Through Nucleus Software Foundation
4.	Suniye - They run a school for hearing impaired kids In Delhi	0.05	Through Nucleus Software Foundation
	Total	0.25	

Responsibility statement of the CSR committee

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

Sd/-
Vishnu R Dusad
(Managing Director)

Sd/-
Prof. Trilochan Sastry
(Chairman CSR Committee)

Noida
April 23, 2019