

CORPORATE SOCIAL RESPONSIBILITY POLICY ZICOM ELECTRONIC SECURITY SYSTEMS LIMITED

I] PREAMBLE

Zicom Electronic Security Systems Limited (ZESSL) believes that a developed, erudite society is the key to its future growth and development. To this end, we planned our commitment to society on a three-pronged plank.

At ZESSL, Corporate Social Responsibility revolves around three major factors:

- Benefiting society by enhancing the living standards of the people in the community by ensuring education, employment and safety.
- Providing qualitative education, employment- orientated training and employment opportunities.
- Ensuring safety and peace of mind of the community, and thereby the society at large.

ZESSL consider itself to be a responsible corporate. Our effort has been to focus primarily on education and intellectual and skill development of the youth.

ZESSL has been making unstinted efforts at improving peoples' lives, by providing them with qualitative education, training and job opportunities. The Institute of Advanced Security Training and Management Pvt. Ltd. (ASTM), a first-of-its-kind security training organisation, imparting training in electronic security, physical security and fire and safety protection management was started as a brainchild of our Chairman, Mr. Manohar Bidaye, with ZESSL being the driving force behind it.

II] OBJECTIVES

ZESSL CSR Policy intends to:

- Strive for economic development that positively impacts the society at large with minimal resource footprint.
- Embrace responsibility for Company's actions and encourage a positive impact through its activities on education, employment, environment, communities, stakeholders and the society.

III] FOCUS AREAS

In accordance with the requirements of Companies Act, 2013, ZESSL's CSR activities, amongst others, will focus at:

Sustainable Living:

Unemployment is a serious problem in a developing country like India, and it gives rise to social unrest and agitation, an increase in crime rates – all leading to an unsafe socio-economic condition.

Realising the importance of working in the direction of containing unemployment in youths, ZESSL promoted the Institute of Advanced Security Training and Management Pvt. Ltd. (ASTM), with the support of the National Skill Development Corporation (NSDC). It has succeeded in serving the worthy cause of providing vocational employment to the youth in rural areas, particularly those belonging to the backward classes, thereby changing the very nature of the society by giving the youth a purpose in life.

After an initial struggle, ASTM has successfully conducted various education and training projects across the country, for the benefit of the weaker section of the youth.

Some of the on-going projects conducted by ASTM are based out of Thane, Nasik, Odisha, tribal welfare projects in Madhya Pradesh, Rajasthan, Indore, and Himachal Pradesh and Aajeevika Skill Development Project, Rajasthan.

In Maharashtra ZESSL works along with the National Rural Livelihood Mission, promoting training programmes for nearly 2250 candidates every year. Ongoing projects include the Unarmed Security Guard Programme in 26 schools of Himachal Pradesh encompassing 12 districts for Class IX and X under the National Skill Qualification Framework (NSQF). Six hundred students have already undergone Level 1 and 2 training under this project.

ASTM has been successfully providing employment opportunities to trained candidates in various sectors. Till date, total 6,015 candidates have been placed by ASTM in sectors like hotels, banks, malls, university, PSU's, electronic security companies / dealers and distributors, leading private security agencies, etc.; thereby improving society and the communities we work in.

Education:

Kalambist Panchkroshi Shikshan Prasarak Mandal, an educational trust, which runs a school in a remote area of Kokan, near Sawantwadi in Sindhudurg district of Maharashtra, is basically meant for children of farmers and ex-servicemen.

The school has been adopted and is being assisted by ZESSL. It is run by the trust on behalf of five surrounding villages catering to more than 350-400 students in nine divisions from Class V to Class X. A majority of these students come from the below poverty line segment.

This school has been in existence from 1964, in a structure made of mud with very little infrastructure. When ZESSL decided to adopt the school, there was a dire need to reconstruct the school. Being from families of poor rural farmers and ex-servicemen, were unable to even pay their fees. Despite this, the School Trust has kept things going with government aid and maintained its reputation by delivering a consistently good performance with more than 95% students passing their SSC in the last ten years.

The cost of reconstruction was estimated at Rs. 1.80 crore, an impossible sum for the villagers and the village body. ZESSL has taken up the reconstruction work in full earnest and much of the work has already been completed. It has borne the cost of laboratory and sports equipment for the school and the cost of various other infrastructures like lighting and sanitation, class room furniture, etc.

The project is taking shape and has made considerable progress. The project is expected to end in the next nine to twelve months. Along with the school management, it has been planned to provide vocational courses to the students of the village school, to facilitate their employment after passing their SSC standard.

IV] UNDERTAKING CSR ACTIVITIES

ZESSL will undertake CSR activities, approved by the CSR Committee, through entity / organization approved by the CSR Committee.

The surplus arising out of CSR activities, projects or programs shall not form part of the business profit of the Company.

V] LOCATION OF CSR EFFORTS

The CSR Committee will decide on the locations of CSR activities.

VI] COMPOSITION OF CSR COMMITTEE

The CSR Committee shall consist of the following Directors:

- Mr. Manohar Bidaye
- Mr. Pramoud Rao
- Mr. K. D. Hodavdekar

VII] RESPONSIBILITIES OF THE COMMITTEE:

The responsibilities of the CSR Committee include:

- Formulating and recommending to the Board of Director the CSR Policy and indicating activities to be undertaken;
- Recommending the amount of expenditure for the CSR activities; and
- Monitoring CSR activities from time to time.

VIII] FUNDING, SELECTION AND MONITORING PROCESS

Such entity / organization will evaluate proposals received under the Company's focus areas and projects will be prioritized by assessing their impact. Such entity / organization will then forward their recommendations to CSR Committee. The CSR Committee will deliberate on the proposals and approve the proposals for implementation at its discretion.

ZESSL's representatives will collaborate with stakeholders to monitor the status of each project and will report its findings to the CSR Committee periodically.

IX] EFFECTIVE DATE:

This Policy is effective from April 1, 2014.