

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

CG-VAK SOFTWARE AND EXPORTS LIMITED

CG-VAK SOFTWARE AND EXPORTS LIMITED's Philosophy

CG-VAK SOFTWARE AND EXPORTS LIMITED's philosophy for fulfilling its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for carrying out socially useful activities/projects and programmes for welfare, sustainability and development of community at large.

OBJECTIVE

The main objective of the CSR Policy is to lay down guidelines for CG-VAK SOFTWARE AND EXPORTS LIMITED (hereinafter referred to as 'CG-VAK') to make CSR as one of the key focus areas to adhere to CG-VAK's interest in environment and society that focuses on making a positive contribution to society through effective impact and sustainable development programs.

This Policy covers the proposed CSR activities to be undertaken by CG-VAK and ensuring that they are in line with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only and includes strategy that defines plans for future CSR activities.

SCOPE & COVERAGE

The CSR activities of CG-VAK shall include, but not limited to any or all of the sectors/activities as may be prescribed by Schedule VII of the Companies Act, 2013 amended from time to time. Further, CG-VAK will review the sectors/activities from time to time and make additions/deletions/ clarifications to the above sectors/activities.

CSR PHILOSOPHY AND POICY:

The Company considers society as an important stake-holder and will strive to discharge its responsibilities to the society proactively. The activities or projects that will be undertaken by the Company shall include one or more of the following as approved by the Board of Directors.

- Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare and sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes and hostels for women and 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;

- 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;
- 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;
- Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
- 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;
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- Rural development projects
- Slum area development
- Such other projects as may be notified by the Government from time to time. The Company shall give preference to various local areas and areas around which the Company is carrying out its activities.

CSR SPEND

The Companies Act, 2013 prescribes that the companies which meet the criteria specified U/s. Sec. 135 shall allocate certain portion of its annual net profits (calculated as per Sec. 198) during the three immediately preceding financial years to be spent on CSR Activities that fall under the categories specified under Schedule VII of the Act.

CSR EXPENDITURE

Net profit for the purpose of allocation towards CSR means profit more fully described under Rule 2(f) of the CSR Rules. The CSR expenditure shall include all expenditure including contribution to corpus or on projects or programs relating to CSR activities approved by the Board of Directors but does not include any expenditure on an item not in conformity or not in line with activities stated under Schedule VII of the Act.

CSR OUTLAY & CSR ADMINISTRATION AND IMPLEMENTATION:

- The Board shall comply with various projects, activities, etc., which are of benefit to the society and which fulfill the CSR policy and also determine the outlays and the timelines for each of such projects.
- The Board shall prescribe the mode of implementing the project and activities including identifying any third party agencies. The Board shall also identify Charitable Trusts (with track record and reputation) which are implementing any of the projects comprised in the CSR policy and contribute to the corpus of the identified project/activity being carried on by such Trusts.
- The overall amount to be spent during a year shall have reference to the amount determined on the basis prescribed under the Companies Act 2013 and the Rules made thereunder. The amounts will be spent on projects/activities are approved by the Board of Directors. The actual amounts will be spent based on the progress of the projects.
- The participation can be in one or more ways – contribution to the corpus, bearing of expenses provision of infrastructure equipment, deputing human resources of the Company, etc.
- The Board shall cause supervision and monitoring of the progress of various projects and activities whether carried out directly by the Company or through implementing agencies including dedicated trusts or existing third-party trusts of experience and repute.
- If the outlay as determined under (c) above cannot be expended during a financial year due to any cause, the Board shall record such reasons and roll-over expending of the same in the subsequent years.
- If the CSR projects yield any surplus, the same will not form part of the Company's profits but will be ploughed back into CSR activities.

CSR REPORTING AND DISCLOSURES:

- (a) The Board shall prepare a report on various CSR activities carried out and amounts spent for inclusion in Directors' Report of the Company in such form and manner as may be required under law.
- (b) The Board shall also cause publication of the CSR policy and activities on the website of the Company.