

INNOVANA THINKLABS LIMITED

(FORMERLY KNOWN AS PCVARK SOFTWARE LIMITED)

CORPORATE SOCIAL RESPONSIBILITY POLICY



Corporate Social Responsibility Policy

1. INTRODUCTION:-

CSR in India:

CSR in India has generally been seen as a charitable activity. While the corporate houses have been usually engaged in doing CSR activities voluntarily, the new CSR provisions under the Companies Act, 2013 put formal and greater responsibility on companies to set out clear framework and process to ensure strict compliance.

The Companies Act, 2013 (hereinafter referred to as 'the Act'), has introduced the idea of CSR to the forefront and through its "Comply-or-Explain" mandate to companies having any of the following conditions for immediately preceding financial year:

Net worth of at least Rs. 500 Crore;

Turnover of at least Rs. 1,000 Crore;

Net profits (before tax) of at least Rs. 5 Crore

Any company meet with any of the above said condition is required to constitute a Corporate Social Responsibility Committee to effectively monitor CSR activities of a Company. Further the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as "CSR Rules") lay down the framework and modalities of carrying out CSR activities which are specified in Schedule VII of the Companies Act, 2013.

2. OBJECTIVE:-

The objective of the policy is to actively contribute to the social, environmental and economic development of the society in which we operate.

3. DEFINITIONS:-

The terms defined in this CSR Policy shall have the meanings herein specified and terms not defined shall have the meanings as defined in the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014 including any statutory modifications or re-enactments thereof.

3.1 "Corporate Social Responsibility (CSR)" means and includes but is not limited to: -

- (i) Projects or Programme relating to activities specified in Schedule VII to the Act or
- (ii) Projects or Programs relating to activities undertaken by the board of directors of a company (board) in pursuance of recommendations of the CSR Committee of the Board as per declared CSR Policy of the company subject to the condition that such policy will cover subjects enumerated in Schedule VII of the act.

3.2 "CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.

3.3 "CSR Policy" relates to the activities to be undertaken by the company as specified in Schedule VII to the Act and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of a company:

3.4 "Net profit" means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely

- (1) any profit arising from any overseas branch or branches of the company' whether operated as a separate company or otherwise; and
- (2) any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act:
Words and expressions used and not defined in these rules but defined in the Act shall have the same meanings respectively assigned to them in the Act.

4. CONSTITUTION OF CSR COMMITTEE-

In accordance with the provisions of Section 135 of Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee of **INNOVANA THINKLABS LIMITED** ("the Company") was constituted by the Board of Directors of the Company.

The composition of the said Committee comprises of three directors out of which at least one director shall be an Independent Director:

Constitution of CSR Committee

Name of the Director	Status in Committee	Nature of Directorship
Mr. Mohit Bora	Chairman	Non-Executive Independent Director
Mrs. Swaran Kanta	Member	Non-Executive Director
Mr. Chandan Garg	Member	Chairman & Managing Director

Any changes in the composition of the CSR Committee will be approved by the Board in its meeting.

5. FUNCTIONS OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE —

- (a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company
- (b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- (c) Monitor the Corporate Social Responsibility Policy of the company from time to time.

6. ROLE OF THE BOARD: -

- (a) after taking into account the recommendations made by the Corporate Social Responsibility Committee, approve the Corporate Social Responsibility Policy for the company and disclose contents of such Policy in its report and also place it on the company's website, if any, in such manner as may be prescribed; and
- (b) Ensure that the activities as are included in Corporate Social Responsibility Policy of the company are undertaken by the company.

7. ACTIVITIES THAT CAN BE UNDERTAKEN UNDER CSR: -

- (i) Eradicating hunger, poverty and malnutrition, ["promoting health care including preventive health care"] and sanitation [including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.

- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement Projects.
- (iii) Promoting gender equality, empowering women, 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.
- (iv) 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 [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].
- (v) 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 art and handicrafts;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents;
- (vii) Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic Sports.
- (viii) contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (ix) Contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt.
- (x) Rural development projects
- (xi) Slum area development.

Explanation. - For the purposes of this item, the term `slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.]

8. CSR EXPENDITURE: -

- a) As per the provisions of Companies Act, 2013, the Board shall ensure that the Company spends in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years.
- b) CSR Committee shall recommend the amount of expenditure project wise to be incurred annually to the Board for its consideration and approval.
- c) CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

9. DISCLOSURE OF THE POLICY: -

The CSR policy recommended by the CSR Committee and approved by the Board shall be displayed on the Company's website and shall be disclosed in the Board's report as well.

10. CSR REPORTING: -

The Board Report of a Company shall include an Annual Report on CSR containing particulars specified in Annexure to the CSR Rules as per the prescribed format.

11. FREQUENCY OF MEETING: -.

The meetings of the Committee could be held at such periodic intervals as may be required.

12. QUORUM: -

Minimum two (2) members shall constitute a quorum for the Committee meeting.

13. CHAIRMAN: -

In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

14. SECRETARY: -

The company secretary of the company shall act as secretary of the committee.

15. MINUTES OF THE COMMITTEE MEETING: -

Proceedings of all meetings must be recorded in the minutes' book and signed by the Chairman of the Committee and tabled at the subsequent Board and Committee meeting.

16. MISCELLEANOUS: -

This policy shall be updated from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made thereunder or any other applicable enactment for the time being in force.