



Corporate Social Responsibility Policy

The Corporate Social Responsibility Committee is constituted by Board of Directors of ABM Knowledgeware Limited (“Company”) in their meeting held on 17th July, 2014 in compliance with the Section 135 of Companies Act, 2013 read alongwith the Schedule VII & applicable rules thereto. ABM has been actively involved in various CSR activities since past so many years and has contributed to national development through charity donations in times of disaster. The Company is also engaged in extending its helping hand to support the underprivileged in the society.

Objective:

The objective of the Policy is to directly/indirectly undertake projects/programs which will enhance the quality of life and economic well- being of communities in and around our society at large. This policy focuses on addressing social, environmental and economic needs of underprivileged sections of the society and also a sustainable development for the society. This policy shall apply to all CSR initiatives and activities taken up by the Company for the benefit of different segments of the society.

The main focus of this Policy is to set guiding principles for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.

Accordingly, the activities that may be taken up to fulfil the objectives are given below:

- i. eradicating hunger, poverty and malnutrition, promoting preventive health care and 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;
- 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 arts 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 Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled 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 Government;

x. rural development projects.

xi. Any other activities in relation of the above and all other activities which forms part of CSR as per Schedule VII of the Act, 2013 (the "Act") as amended from time to time.

CSR programs will be undertaken by the Company to the best possible extent within the framework of the above areas. The time period / duration over which a particular program will be spread, shall depend on its nature, extent of coverage and the intended impact of the program.

CSR Committee:

i. Composition:

The Corporate Social Responsibility Committee (CSR Committee) shall consist of three or more directors, out of which at least one shall be an Independent Director.

ii. Role: The Committee, referred above, shall

- a.** Formulate and recommend to the Board the CSR Policy and any amendments thereof which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013;
- b.** Recommend the amount of expenditure to be incurred on the activities, as per CSR Policy;
- c.** Be responsible for implementation and monitoring of CSR projects or programs or activities of the Company.
- d.** Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

iii. Meetings: The CSR Committee shall meet as and when deemed necessary.

iv. Sitting Fees: The CSR committee has determined not to accept sitting fees.

v. Quorum: Quorum of meeting of CSR Committee shall be one third of the total strength or two directors, whichever is higher.

vi. The CSR Committee may invite Executives, Advisors, representatives of Social Organizations, Auditors of the Company and such other person (s) as it may consider necessary to attend the meeting.

Quantum of Amount to be spent on CSR Activities:

- i.** For achieving its CSR objectives through implementation of meaningful & sustainable CSR programs, the Company will allocate 2% of its average net profits made during the 3 immediately preceding financial years as its Annual CSR Budget.
- ii.** The Annual CSR Budget shall be spent on activities laid down in this Policy.
- iii.** Any surplus arising and/or additional revenue generated out of CSR Activities undertaken by the Company shall not form part of the business profit of the Company and same shall be spent for undertaking any CSR Activities only.

Implementation of CSR Activities:

- i.** The Company may undertake CSR Activities through a registered trust or society or any company, established by the Company, its holding or subsidiary Company under Section 8 of the Act for such non-for-profit objectives.

Provided that the Company can carry out the CSR Activities through such other institutes having an established track record of 3 (three) years in undertaking the CSR Activities.

- ii.** The Company may collaborate with other companies for undertaking the CSR Activities subject to fulfillment of separate reporting requirements as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the “Rules”).
- iii.** The scope of this policy will extend to activities as stated under Schedule VII of the Companies Act, 2013, as presently in force. The scope of the policy to also include all additional and allied matters, as will be notified by Ministry of Corporate Affairs or such other body, as appointed / notified by Central or State Government, from time to time for this purpose.
- iv.** The Company shall endeavor to spend the entire amount of statutory minimum contribution limit in a financial year. In the event, the Company is unable to spend such amount in any given financial year, the Board shall specify the reasons for the same in its report to the shareholders in terms of Section 134(3)(o) of the Act.
- v.** The Total CSR Spend for any financial year will be capable of being carried forward. In any financial year in which the Company could not spend 2% of its average net profits, the Company may carry forward such unspent amount with intent to spend the same in any future year.

Procedure and monitoring mechanism for CSR Activities

- i.** The Committee shall recommend the Board suitable CSR Activities to be undertaken during for the financial year along with the detailed plan, modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities;
- ii.** The Board shall give its approval based on the recommendation of the Committee and in compliance of this Policy;

iii. The Committee, after approval, shall submit its report giving status of the CSR Activities undertaken, Expenditure Incurred and such other details as may be required by the Board for Board's review and finalization.

iv. The Board shall include in its report to the shareholders, the annual report on CSR activities as per the format specified under the Rules.

v. The Company Secretary of the Company shall assist the CSR Committee and the Board for performing their respective duties under the CSR Policy, any changes by the Government in the regulations governing the CSR activities.

vi. The Committee shall ensure that the CSR Policy, as amended from time to time, is displayed on the company's website.
