

Introduction & Philosophy

Litmus7 Systems Consulting Private Limited (“Litmus7”) believes that it is the duty of every person (whether Individual or Corporate) to promote sustainable development not only considering profitability and growth, but also the interests and wellbeing of the environment and public at large. Ethical Responsibility of Litmus7 is to provide something beneficial back to the society in return of what is being imbibed for the growth and sustainability. It is our conviction that the engagement with social issues must be deep, meaningful and formed on the bedrock of long term commitment. We run with the clarity of mind that our social programs are on a strong foundation of ethical principles, good corporate governance and efficient management.

Litmus7 Approach of Corporate Social Responsibility

In line with the Corporate Social Responsibility (“CSR”) as enshrined in the Companies Act 2013 in its true letter and spirit, Litmus7 endeavor to perform its Ethical Responsibility far beyond benefiting the humanity and environment at large. Our approach of CSR is based on the concept of Triple Bottom Line (TBL) of Social, Environment and Economy. Litmus7 is committed to act as a steward for the Social wellbeing, Environmental sustenance and Economic growth of the Country. It is said to be true only if the Triple Bottom Line are in harmony.

Litmus7 CSR Objectives

This policy defines our Corporate Social Responsibility objectives and programs undertaken by Litmus7 to fulfill its obligations as a responsible corporate citizen. Appropriate CSR initiatives shall be identified by CSR Committee, initiate action and fulfill the same under strict guidance. Litmus7 shall focus on CSR initiatives that promote the areas identified in this policy and approved by Litmus7 CSR Committee.

Litmus7 CSR Activities

The CSR activities, projects and programmes that will be undertaken by the Company shall be those as may be approved by the CSR Committee. Such activities shall be projects and programs covered under the following areas as set out in Schedule VII of the Companies Act, 2013

1. Eradicating hunger, poverty and malnutrition (promoting health care including preventive health care) and sanitation & making available safe drinking water.
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly & the differently abled and livelihood enhancement projects.

3. 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.
4. 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.
5. 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.
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.
8. 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.
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt.
10. Rural development projects
11. Slum area development. (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)

The above CSR Activities must be interpreted liberally so as to capture the essence of the subjects enumerated herein and shall also undertake activities that are related to such projects or Programmes. Such activities shall be undertaken only in India and Litmus7 CSR Committee shall provide preference to the local area and areas around it where Litmus7 operates. The CSR Activities shall be undertaken either directly by Litmus7 or through trusted intermediaries such as Section 8 Companies, registered Societies, registered trust etc. either singly or along with any other company that caters the above-mentioned activities.

CSR Committee – Governance & Management

The Board has formulated the Litmus7 CSR Policy and Constituted the CSR Committee vide Board Resolution dated 10th April 2014 be effective from 1st April 2014. The CSR Policy and CSR Committee shall be modified, amended and/or reconstituted as may be deemed fit by the Board of Directors by duly passed Board Resolution.

The members of CSR Committee with effect from 20th November 2018 as reconstituted/amended are as follows:

1. Bimal Raj Haridas, Chairman
2. Venu Gopalakrishnan, Committee Member
3. Nikitasha Pattali Sivasankaran, Committee Member
4. Eby Paul, Committee Member

Responsibilities of the Committees

The Responsibilities of the CSR Committee includes:

- Formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken.
- Recommending the amount of expenditure for CSR activities
- Monitor the Corporate Social Responsibility Policy and activities of the company from time to time.

Funding & Allocation

For achieving the CSR objectives through implementation of meaningful and sustainable CSR programmes, Litmus7 will allocate and transfer 2% of its previous year's profit computed in accordance with the provisions of the Companies Act 2013, as its annual CSR budget to the separate Bank Account earmarked as "Litmus7 CSR Fund". Amount shall be drawn and spent from the Litmus7 CSR Fund account on the recommendation of CSR Committee for various CSR Projects.

Monitoring and Feedback

To ensure effective implementation of the CSR programmes undertaken, the progress of CSR programmes under implementation will be reported to the Board of Directors by the CSR committee on a half-yearly basis. Company Secretary shall maintain all records and minutes of the meeting of CSR Committee regularly. Appropriate documentation of Litmus7 CSR policy, annual CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis and the same will be available in the public domain. CSR initiatives of the company will also be reported in the annual report of the Company and filed with the relevant statutory authorities as required by law.

CSR Expenditure

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the approved CSR Plan. Moreover, any surplus arising from any CSR Programmes shall be again re-used for CSR. Accordingly, any income arising from CSR Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

For the current Financial Year our CSR spending is Rs. One Crore Eighteen Lakhs.

General

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to the CSR committee at Email ID: Eby.paul@Litmus7.Com. In all such matters, the interpretation and decision of the CSR committee shall be final.