

## SUN-N-SAND HOTELS PRIVATE LIMITED

CIN: U55101MH1961PTC012052

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Regd.Office: 39, Juhu Beach, Mumbai – 400 049

## **POLICY ON CORPORATE SOCIAL RESPONSIBILITY**

### I **Philosophy and Vision:**

SUN-N-SAND HOTELS PRIVATE LIMITED (“The Company”) has always strived for creating awareness and conservation of environment for the betterment of mankind and has constantly taking initiatives for conservation and sustainability of environment. The Company has undertaken poverty eradication initiatives, programmes for promoting education, promoting health care and sanitation, etc.

The policy on Corporate Social Responsibility (CSR) is adopted by the Company to align its philosophy to initiate measures and pursue socially useful programmes with the objectives and activities of CSR envisaged and incorporated in the Companies Act, 2013 and the rules made there under. This policy has been formulated and recommended by the CSR Committee and by the Board of Directors at its meeting held on 2<sup>nd</sup> June, 2014 as amended by the Board on 31<sup>st</sup> March, 2021 upon recommendation of the CSR Committee. The terms, rules and regulations mentioned in this policy are as per the Companies Act, 2013 and rules made thereunder, as amended from time to time. The Board may, upon recommendation of CSR Committee, amend or modify this CSR policy as and when necessary.

### II. **Definitions**

- **Board** means Board of Directors of the Company.
- **Corporate Social Responsibility or CSR** means and includes but is not limited to:-

- i) Project or programs relating to activities specified in Schedule VII to the Companies Act, 2013 or any amendment thereto; or
  - ii) Projects or programs relating to activities undertaken by the Company in pursuance of the recommendations of the CSR Committee and approved by the Board as per this policy.
- **CSR Committee** means Corporate Social Responsibility Committee constituted by the Board pursuant to Section 135 of the Companies Act, 2013 and rules framed thereunder.
  - **Company means** SUN-N-SAND HOTELS PRIVATE LIMITED.
  - **Net Profit** means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Companies Act, 2013, but shall not include the following, namely:-
    - i) Any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise, and
    - ii) Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Companies Act, 2013.

Words and expressions used in this policy and not defined herein but defined under the Companies Act, 2013 shall have the meanings respectively assigned to them therein.

### III. Constitution, Composition and Activities of Corporate Social Responsibility

#### Committee:

- The CSR initiatives / activities of the company will be identified and initiated by the CSR Committee comprising of 2(two) or more members.
- The members of the CSR Committee shall elect one of them as the Chairman of the Committee.
- The CSR Committee may delegate its responsibility to any senior or key managerial person as and when deemed fit.
- The composition of CSR committee shall be disclosed in the Board's report.
- **ANNUAL ACTION PLAN:**  
The CSR Committee of the Company will be responsible to formulate and recommend to the Board of the company, an annual action plan in pursuance of its CSR policy. The Annual Action plan shall include the following:
  - a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013;
  - b) the manner of execution of such approved projects or programmes;
  - c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - d) monitoring and reporting mechanism for the projects or programmes; and
  - e) details of need and impact assessment, if any, for the projects undertaken by the company:

Provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

### IV. CSR activities

The Company may undertake any of the following activities as its CSR activities:

- (i) Eradicating hunger, poverty and malnutrition, promoting 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 vocational 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 centers 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, agro-forestry, 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 arts and handicrafts;
- (vi) Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- (vii) Training to promote rural sport, nationally recognized sports, Paralympics sports and Olympic sports;
- (viii) Contribution to the Prime Minister's National Relief Fund or Prime Minister's

Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
- (b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).]
- (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.
- (xii) Disaster management, including relief, rehabilitation and reconstruction activities;
- (xiii) Such other activities as may be permitted and prescribed under Section 135 of the Act and Schedule VII thereto and any amendments made thereto from time to time;

- (xiv) Such other activity as may be thought fit by the CSR Committee and approved by the Board.

V. **Amount of expenditure to be incurred on the CSR activities:**

- The Company will endeavour to spend the following amounts for CSR activities in pursuance of this Policy:
  - i) In every financial year, at least two per cent of the “average net profits” of the Company made during the three immediately preceding financial years.  
  
The “average net profits” shall be calculated in accordance with the provisions of section 198 of the Companies Act, 2013 and the rules made there under from time to time.
  - ii) Any income arising from the activities mentioned above.
  - iii) Surplus arising out of CSR activities.
- Contribution of any amount directly or indirectly to any political party under Section 182 of the Companies Act, 2013, shall not be considered as CSR activity.
- Amount spent on CSR activities 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 will 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 Companies Act, 2013.
- Any surplus arising out of the CSR activity will not be part of the business profits of the Company.

- The CSR Committee will approve the expenditure on CSR activities within monetary limits sanctioned by the Board for such activities.

VI. **Modalities of Execution / CSR Implementation:**

- CSR activities may be initiated / implemented / executed:
  - By the Company itself; or
  - Through:
    - (a) a company established under section 8 of the Companies Act, 2013 or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961, established by the company, either singly or along with any other company, or
    - (b) a company established under section 8 of the Companies Act, 2013 or a registered trust or a registered society, established by the Central Government or State Government; or
    - (c) any entity established under an Act of Parliament or a State legislature; or
    - (d) a company established under section 8 of the Companies Act, 2013 or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
- The Company shall ensure that every entity, covered above, shall register itself with the Central Government by filing form CSR-1 electronically with the Registrar of Companies, with effect from the 01<sup>st</sup> day of April, 2021 and shall have CSR Registration Number.
- The Company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of the Company and such other companies are in a position to report separately on such

projects or programmes in accordance with CSR Amended Rules.

- Collaborative partnerships may be formed with the internal as well as external stakeholders which shall include the Government, the village panchayats, NGOs, the District Authorities and other like-minded stakeholders.
- CSR Committee shall have full discretion to specify or modify the modalities of execution of CSR projects or programs and to determine implementation schedules.
- The Company's CSR activities may focus on environmental sustainability and will give preference to the local area and areas around, where it operates, for spending the amount earmarked for CSR activities.
- The CSR activities shall be undertaken within India.
- The CSR projects or programs or activities that benefit only the employees of the Company and their families or activities undertaken in pursuance of normal course of business of the Company or activities undertaken outside India or contribution of any amount to political party or activities supported by the Company on sponsorship basis for deriving marketing benefits for its products or services or activities for fulfilment of any other statutory obligations under any law in force in India shall not be considered as CSR activities in accordance with this policy or under Section 135 of the Companies Act, 2013.

VII. **Monitoring of this CSR policy:**

- It will be the responsibility of the CSR Committee to monitor periodically the implementation of the projects / programmes / activities under this CSR policy and to ensure compliance of the provisions related to CSR mentioned in the Companies Act, 2013 and rules made there under from time to time.
- The progress of CSR initiatives and activities will be reported to the Board on a regular basis.



- Wherever projects/programs/activities are under taken in partnership with one or more organizations, the part of the project or program undertaken by the Company shall be distinguishable and necessary supporting documents in respect of the same shall be obtained from the other partners/implementing agency periodically.
- The Board of a company shall satisfy itself that the funds disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer shall certify to the effect.
- In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.
- The CSR Committee may appoint officers for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy and the concerned officer will submit periodical report to the Chief Financial Officer of the Company.
- The Company shall provide necessary resources and human capital for implementation and the effective monitoring of the CSR projects and programs as may be directed by the CSR Committee. The services of any external agencies or persons who have experience in the same or similar projects or programs undertaken or proposed to be undertaken by the Company may also be made available for successful implementation and monitoring of the project.

### **VIII. CSR Reporting**

- The Board's Report of a Company pertaining to any financial year shall include an annual report on CSR containing particulars specified in the Companies (Corporate Social Responsibility Policy) Amendment rules, 2021.

- Whenever the CSR obligation of the Company exceeds Rupees ten Crore or more, pursuant to Section 135(5) of the Act, the Company shall undertake impact assessment, through an independent agency of CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study. Further, the impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR. A Company may book the expenditure for undertaking impact assessment towards Corporate Social Responsibility for that financial year, but shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.

#### **IX. Transfer of unspent CSR amount**

The unspent CSR amount, if any, in any financial year shall be transferred by the company to a fund specified in schedule VII of the Act within a period of 6 months of the expiry of the financial year.

In case, there is an unspent amount related to ongoing project, such unspent amount shall be transferred by the company to a special account to be called the Unspent Corporate Social Responsibility Account which is to be opened by the company for that financial year in any scheduled bank within a period of thirty days from the end of the financial year.

Such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer.

In case, the company fails to spend in accordance with the above, the company shall transfer the same to a Fund specified in Schedule VII to the Companies Act, 2013, within a period of thirty days from the date of completion of the third financial year.

**X. Role of Board:**

The role and responsibility of the Board shall include:

- a. Approval of CSR policy after taking into account the recommendations of the CSR Committee.
- b. Reporting in the Board's report brief outline of this CSR policy including overview of projects or programs, composition of CSR Committee, average net profits of the Company for the last three financial years and prescribed CSR expenditure as required under the Companies Act, 2013 and rules made thereunder as amended from time to time alongwith i) the total amount spent on CSR activities in the financial year and ii) amount unspent, if any.
- c. Ensure that the CSR activities are undertaken and executed by the Company as per this CSR policy and the applicable laws.
- d. Specify in the Board's Report, the reasons, if the required amount is not spent or fully spent on CSR activities.

For Sun-n-Sand Hotels Private Limited

Sd/-  
Gul R. Advani  
Chairman & Managing Director

Sd/-  
Ashok Bhawnani  
Whole-time Director

Date: 31<sup>st</sup> March, 2021

Place: Mumbai