

SAGAR TOURIST RESORTS LIMITED
(CIN: L55101HP1987PLC007312)

POLICY ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

[Pursuant to Section 135 of the Companies Act, 2013]

1. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (“Act and Rules”) provides that every company having Net Worth of Rs.500 Crores or more or Turnover of Rs.1000 Crores or more or a Net Profit of Rs.5 Crores or more during any financial year shall constitute a Corporate Social Responsibility Committee (CSR Committee) of the Board.

In order to comply with the provisions of the Act and Rules and managing and actively contributing towards the social and economic development of the communities in which Sagar Tourist Resorts Limited operates, the CSR Committee of IRSL has decided to formulate and recommend to the Board the present policy titled as “**IRSL CSR Policy**” which aims to build a better and sustainable way of life for the weaker sections of the Society and raise the country human development index.

2. CSR VISION STATEMENT

In alignment with vision of IRSL, through its CSR initiatives, will continue to enhance value creation in the Society and in the community in which it operates, through its services, conduct and initiatives, so as to promote sustainable growth for the Society and Community, in fulfillment of its role as a Socially Responsible Corporate, with environmental concern.

3. OBJECTIVE OF THE IRSL CSR POLICY

3.1 This policy, which encompasses the Company’s philosophy for delineating its responsibility towards the Society as a whole and which lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large, is titled as the “**IRSL CSR Policy**”.

3.2 This IRSL CSR Policy shall apply to all CSR initiatives and activities taken up at the various work-centers and locations of IRSL, for the benefit of the different segments of the Society, specifically the deprived, under-privileged and differently abled persons.

CSR POLICY

- 3.3 The aim of IRSL CSR Policy is to ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially and environmentally sustainable manner, which recognizing the interests of all its participants.
- 3.4 The purpose of IRSL CSR Policy is to generate, through its CSR initiatives, community goodwill for IRSL and help reinforce a positive and socially responsible image of IRSL as a corporate entity.

4. SCOPE

The Scope of IRSL CSR Policy primarily is to target local area and areas around it where it operates, for spending the amount earmarked for corporates, social responsibility activities, over a period of time, in enhancing the quality of life and economic well-being of the local populace.

5. CSR ACTIVITIES AREA

The activities to be undertaken by IRSL will be the activities as specified under Schedule VII of Companies Act, 2013 ("Act"), which *inter-alia* includes:

- i) Eradicating extreme hunger and poverty;
- ii) Promotion of Education;
- iii) Promoting gender equality and empowering women;
- iv) Reducing child mortality and improving maternal health;
- v) Combating human immune-deficiency virus, acquired immune-deficiency syndrome, malaria and other diseases;
- vi) Ensuring environmental sustainability;
- vii) Employment enhancing vocational skills;
- viii) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Government for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
- ix) Rural Development Projects.

6. CSR COMMITTEE

The CSR Committee of IRSL shall institute a transparent monitoring mechanism for implementation of CSR projects or programmes, activities undertaken by the Company. The CSR Committee of IRSL re-constituted, for the time being in force, consists following members:

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|----|-------------------------------|----------------------|
| 1. | Mr. Kishore Tahilram Chawla - | Independent Director |
| 2. | Mr. Nepolian Maryan Pinto - | Independent Director |
| 3. | Mr. Kuldeep Kumar - | Director |

7. FUNCTIONS OF CSR COMMITTEE

- 7.1 Formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Act.
- 7.2 Recommend the amount of expenditure to be incurred on the CSR activities.
- 7.3 Monitor the Corporate Social Responsibility Policy of the company from time to time.
- 7.4 Prepare a transparent monitoring mechanism for ensuring implementation of the project/programmes/activities proposed to be undertaken by the company.

8. ROLES AND RESPONSIBILITIES

The CSR Committee shall have the following roles and responsibilities:

8.1 CSR EXPENDITURE

- 8.1.1 IRSL shall spend at least 2% of its average net profit of the last 3 years on the CSR activities as mentioned above.
- 8.1.2 The CSR expenditure by IRSL shall include all expenditure including contribution to corpus for projects and programs relating to CSR activities approved by the Board on the recommendations of its CSR Committees, but does not include any expenditure on an item not in conformity or in line with activities which fall within the purview of Schedule VII of the Act.

8.2 SELECTION OF ANY CSR ACTIVITY / AGENCY

- 8.2.1 All proposals under CSR activity would be referred to CSR Committee, who will evaluate the Project.
- 8.2.2 Project proposal for any CSR activity shall be examined by the CSR Committee and the said CSR Committee shall make its recommendation accordingly.
- 8.2.3 The CSR activities shall not include any activity undertaken by IRSL in the normal course of business.
- 8.2.4 The CSR activities shall be only related to the activities included in the Schedule VII of the Act.

8.2.5 The activities/recommendation of the CSR Committee will also involve the following:

- Interact with the concerned CSR Implementing agencies to determine and confirm the areas for undertaking activities under CSR and to ensure there is no duplicity of the job/project.
- To decide the priority of the activities to be undertaken under CSR.
- To monitor and review the progress of activities undertaken/ completed.

8.3 IMPLEMENTATION OF CSR PROGRAMMES

After the approval of CSR committee on the scope of work and implementation agency, the work will be awarded to the concerned CSR Implementing Agency by the CSR Committee considering the following -:

8.3.1 The investment in CSR should be project based and for every project time framed periodic mile stones will be finalized at the outset.

8.3.2 Project activities identified under CSR will be implemented by specialized CSR Implementing Agencies and generally not by staff of IRSL. However the CSR committee may appoint any staff member to supervise the work of these agencies.

8.3.3 Specialized CSR Implementing Agencies could be made to work singly or in tandem with other agencies.

8.4 MONITORING MECHANISM

The monitoring of the overall work undertaken by the CSR Implementing Agency along with outflow of the fund shall be done by the CSR Committee including the following:

8.4.1 Reviewing the implementation of CSR activities undertaken every six months.

8.4.2 Ensuring that the Utilization Certificate with statement of expenditure duly certified by an Authorized Auditor is submitted by the organization to which CSR fund is allocated by IRSL.

8.4.3 Including a separate chapter in the Annual Report on the implementation of CSR activities/project including the facts mentions the progress and finished activities along with financial numbers.

8.4.4 Ensuring that any and all surplus arising out of the CSR activities shall not form part of the business profit of IRSL.

8.5 UPKEEP AND MAINTENANCE OF ASSETS CREATED

The CSR Implementing Agency shall assure for the Assets created under CSR are maintained under the sustainable viable method. Before any Capital investment is made, an undertaking would be taken from the representatives of the CSR Implementing Agency and the local community representative that CSR Implementing Agency shall be responsible for maintenance of the Assets.

8.6 REFLECTION OF CSR ACTIVITIES

Annual audit of all activities undertaken by IRSL shall be done by the auditors of IRSL. The CSR activities will be reflected in the Annual Report and Accounts of IRSL under CSR section.

9. The representative of the CSR Committee (if any) will inspect all sites physically and inform the progress/state of work to the CSR committee for their information, record and further action.

10. CSR REPORTING

The Board of Directors of IRSL shall, after considering the recommendations of CSR Committee, approve the IRSL CSR Policy for IRSL and disclose contents of such policy in its report and the same shall be displayed in the Annual Report and on the company's website, as per the particular and in the manner as specified in Rule 8 of the Corporate Social Responsibility Policy, Rules 2014.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project of activities identified	Sector in which the Project is covered	Projects or programs 1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) or project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount Spent: Direct or through implementing agency
1							
2							
3							

11. DISPLAY OF CSR ACTIVITIES ON ITS WEBSITE

IRSL shall display the IRSL CSR Policy and the projects undertaken and amount spent under CSR activities in the Board Report and on the Company's website.

12. CONCLUSION

The above guidelines would form the framework around which the CSR activities would be undertaken by IRSL. The CSR Committee will review the IRSL CSR Policy from time to time based on changing needs and aspirations of the target beneficiaries and make suitable modifications, as may be necessary.

Note: This Policy modified and approved by the meeting of Board of Directors held on 14th February, 2020.
