



EXPRESS RESORTS AND HOTELS LTD.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

(Revised by the Board of Directors on 13/02/2021)

(Initially Approved by the Board of Directors on 21/08/2017)

Corporate Social Responsibility (CSR) Policy

The Companies Act, 2013, has under Section 135 prescribed that every Company having (i) net worth of Rs.500 Crores or more or (ii) turnover of Rs. 100 Crores or more or (iii) a net profit of Rs. 5 Crores or more during any financial year, shall constitute a CSR Committee and 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, in pursuance of its CSR Policy. In terms of these provisions of the law, the Company has framed and adopted this Policy for Corporate Social Responsibility at the meeting of the Board of Directors held on 21st August, 2017 which is revised by the Board of Directors at their meeting held on 13th February, 2021.

The composition of the said Committee comprises of three Directors and a Company Secretary viz., Mr. Ashwin Gandhi (Chairman), Mr. Hiren Gandhi (Member) Mr. Nirav Gandhi (Member) and Ms. Priti Pola (Secretary).

A. POLICY OBJECTIVE

Express Resorts & Hotels Limited ('Express Resorts' or 'ERHL' or 'the Company') is committed to conduct its business in a socially responsible, ethical and environmentally friendly manner and to continuously work towards improving quality of life of the communities in its operational areas of Jamnagar.

Our Corporate Social Responsibility (CSR) company policy refers to our responsibility toward our environment. Our company's existence is not lonely. It's part of a bigger system of people, values, other organizations and nature. The social responsibility of a business is to give back to the world just as it gives to us.

Our Corporate Social Responsibility (CSR) company policy outlines our efforts to give back to the world as it gives to us.

Also, the object of the Policy is to frame road map for the CSR activities to be undertaken by the Company and establish a monitoring mechanism for effective implementation as per regulatory requirement.

B. DEFINITIONS

In this Policy, unless the context otherwise requires:

1. **“Act”** shall mean the Companies Act, 2013, including any modifications, amendments or re-enactment thereof.
2. **“Agency”** (or Agencies) means any Section 8 Company or a registered trust/ society/ NGO/ institution, performing social services for the benefit of the society and including a registered trust/ society / NGO/ institution/ Section 8 Company which is formed by the Company or its holdings or subsidiary company/ companies and registered under section 80G or 12A of the Income Tax Act.

3. **“Approved Budget”** shall mean the total budget as approved by the Board of the Company upon the recommendation of the CSR Committee, which is to be utilized for CSR Projects.
4. **“Board”** shall mean the Board of Directors of the Company.
5. **“Company”** shall mean Express Resorts & Hotels Ltd.
6. **“CSR Annual Plan”** shall mean the annual plan detailing the CSR expenditure for the year.
7. **“CSR Committee”** shall mean the Corporate Social Responsibility Committee constituted by the Board of the Company in accordance with the Act.
8. **“CSR expenditure”** means all CSR expenditure of the Company as approved by the Board upon recommendation of the CSR committee, excluding the contribution of any amount directly or indirectly to any political party under Section 182 of the Act.
9. **“CSR Officer”** shall mean the whole time person engaged by the Company for activities envisaged in the CSR Policy, having due comprehension, understanding, drive and passion for such activities and designated as such.
10. **“CSR Policy”** shall mean the present Corporate Social Responsibility Policy of the Company, which covers the activities to be undertaken by the Company as specified in Schedule VII to the Act and the CSR expenditure thereon.
11. **“CSR Projects”** or **“Project”** means Corporate Social Responsibility projects/ activities/ programs / initiative undertaken by the Board in pursuance of the recommendation s of the CSR Committee as per declared CSR Policy of the Company.
12. **“Financial Year”** shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.
13. **“Net Profit”** means the net profit of the Company as per its financial statement prepared in accordance with applicable provisions of the Act (Section 198), but shall not include the following viz.,
Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise; and

Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act

Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956 shall not be required to be re-calculated in accordance with the provisions of the Act.

14. **“Rules”** shall mean the Companies (Corporate Social Responsibility) Rules, 2014, including any re-enactment, modifications or amendments thereof.
15. **“Core Values”** shall have the same meaning as prescribed to them as per provisions of Clause C of the Policy.
16. **“Trust”** means a Trust created and registered under the Indian Trusts Act, 1882.

C. POLICY DETAILS

Our company's social responsibility activities will be implemented in accordance with the following core values:

a) Protecting Stakeholder Interests

- Proactively engage with relevant stakeholders, understand their concerns and be responsive to their needs
- Use & promote systematic processes to engage with the stakeholders and address their issues in a just, fair and equitable manner

b) Proactive Engagement with the Local Communities of Jamnagar

Proactiveness is every initiative to promote human rights, help communities and protect our natural environment.

- Respecting cultural ethnicity and dignity of individuals and foster positive relationship with the people in the project areas where the Company operates
- Providing development opportunities to local communities in a culturally appropriate manner, in consultation & cooperation with local government authorities and other stakeholders, as may be appropriate
- Developing local entrepreneurship and encouraging use of local goods, services and manpower to promote inclusive economic growth of local area
- Channelizing resources & efforts towards making positive and sustainable contribution in social and economic development
- Aligning CSR practices & programs to complement and support the developmental priorities at local, state and national levels
- Inclusive approach towards stakeholders and promote diversity through affirmative action

CSR Activities

The CSR activities will be focused on the five broad themes with goals to improve overall socio- economic indicators of Company's area of operation:

- Protecting and Preserving Sustainable environment
- Employment enhancement through training and vocational skill development
- Livelihood and Income Enhancement
- Rural Development Projects
- Supporting the community

The CSR projects and programs to be undertaken by the Company shall include activities falling within the preview of schedule VII of Companies Act, 2013. These programs will be executed by Express Resorts and where appropriate, in partnership with local government, various NGO partners, service providers and others.

The initial list of CSR projects and programs of the Company is enclosed as Annexure. The list and implementation modalities may be modified from time to time, as per recommendations of the CSR Committee of the Company.

D. MONITORING MECHANISM

Monitoring of the CSR activities would be done, which may include:

- o periodic third party assessment of key programs
- o baseline and impact assessment with key indicators in our areas of operation every two years
- o regular review by the CSR Committee and reporting to the Board on:
 - amount spent on each activity and
 - achievement against milestones and objectives

E. FUND ALLOCATION AND OTHER

Fund Allocation

- a) The Company, in every financial year, shall endeavor to spend the feasible amount, which shall not be restricted by the statutory limit of a specified percentage of its average net profit of the immediately preceding three financial years. However, the aforementioned expenditure in any financial year shall be at least 2% of Company's average Net Profits for the immediately preceding three financial years.
- b) The CSR Committee shall prepare a CSR Annual Plan for the above which shall include:
 - i) Identified CSR Project
 - ii) CSR expenditure
 - iii) Implementation schedules
- c) Total expenditure in the CSR Annual Plan shall be approved by the Board upon recommendation by the CSR Committee
- d) In case the Company fails to spend the statutory minimum limit of 2 % of Company's average net profits of the immediately preceding three financial years, in any given financial year, amount remaining unspent (other than ongoing project) the Board will carry forward of the same to a Fund specified in Schedule VII, within 6 months of close of financial year, in addition to disclose the reasons for the same in its report in terms of clause (o) of Sub-section (3) of Section 134. Also in case of *Ongoing Project*, amount remaining unspent to be transferred within a period of 30 days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account (UCSRA).

Others

- a) The CSR Committee shall ensure that major portion of the CSR expenditure in the Annual Plan shall be for the Projects in the Core Areas. However, there shall not be any preference given to any particular Core Area for budgetary allocation and it shall be made purely as per the identified CSR Projects on need basis.
- b) The Chairman and the Director-in-Charge of the Company are authorized severally to decide on Projects to be implementd within the allocation as per the Annual Plan.
- c) Any surplus arising out of the CSR Projects or programs or activities shall not form a part of the business profits of the Company.

- d) The Company may build CSR capacities of their own personnel or personnel of its Trust or Society, as well as those of the Agencies through institutions with established track records of at least three financial years but such expenditure shall not exceed 5% of the Approved Budget of the Company in one financial year.

F. RESPONSIBILITY

Board of Directors

The Board shall include in its Report the annual report on CSR Projects as per the format provided in the Annexure to the Rules.

CSR Committee

- a) The CSR Committee shall monitor the implementation of the CSR Policy and CSR Plan. For this purpose, the CSR Committee shall meet at least twice a year.
- b) In discharge of CSR functions of the Company, the CSR Committee shall be directly responsible to the Board for any act that may be required to be done by the CSR Committee in furtherance of its statutory obligations, or as required by the Board.
- c) The CSR Committee shall place before the Board the draft annual report as per the format in annexure to the Rules in Board meeting in April/ May of the following year for Board review and finalization.
- d) The CSR Committee shall place before the Board in April/ May, every year, a responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company, for inclusion in the Board's Report.
- e) The CSR Committee shall ensure that the CSR Policy and finalized Annual Plan is displayed on the Company's website.

CSR Officer

- a) The CSR Officer shall be responsible for the proper implementation and execution of CSR Projects of the Company.
- b) The CSR Officer shall be responsible for monitoring the Projects vis-à-vis the Annual Plan.
- c) The CSR Officer shall send the half yearly CSR report for the CSR Committee meeting in October and CSR Annual Plan and the draft annual report as per the format in Rules , for CSR Committee meeting in April/ May of the following year.
- d) The CSR Officer shall communicate the relevant feedbacks received by him/ her to the CSR Committee.
- e) The CSR Officer shall be directly responsible to the CSR Committee for any act that may be required to be done by CSR Committee in accordance with the Policy.
- f) The CSR Officer shall be assisted by a select group of individuals who shall be exclusively dedicated and/ or available on priority basis to the CSR Officer, as and when required, in discharge of all or any of his functions as required under the CSR Policy.

The responsibility for compliance with this policy lies with the CSR Committee, the Directors, Chief Executive Officer, Senior Managers and all employees and consultants working for Express Resorts.

G. PERIODIC REVIEW AND EMENDMENTS OF POLICY

CSR Policy may be revised/ modified/ amended by the CSR Committee at such intervals as it may deem fit.

The CSR Committee shall review the Policy every two years unless such revision is necessitated earlier.

H. ANNEXURES

Policy Annexure

Express Resorts & Hotels Corporate Social Responsibility – Key Programs

1. Protecting and Preserving Sustainable environment

Our company recognizes the need to protect the natural environment. Keeping our environment clean and unpolluted is a benefit to all and is the prime aim of the Company under CSR. We'll always follow best practices when disposing garbage and using chemical substances. Stewardship will also play an important role.

Increase green belt coverage in the local areas of Company's operation for environment sustainability. The program will be carried out in partnership with local panchayat, NGO partner and the forest department.

Apart from legal obligations, our company will proactively protect the environment. Examples of relevant activities include:

- Recycling
- Conserving energy
- Organizing reforestation excursions
- Using environmentally-friendly technologies

Apart from the main aim of Environment Protection, Company may undertake one or more of the following programme under CSR

2. Employment enhancing vocational skills

Employment linked vocational skills training with aim to train and employ youths in the rural areas over the next five years. Training will be executed by multiple specialized training providers.

3. Livelihood and Income Enhancement

Increase community sustainable and livelihood income through water harvesting and improved practices in agriculture, livestock and produce market linkages. It is expected to increase income of farmers in Express Resorts' operational vicinity.

4. Rural Development Projects

- a. Undertake community need based projects that improve quality of life in rural areas by setting up quality education and health facilities
- b. Providing access to electricity to households in remote rural areas through solar PV based projects in partnership with Government
- c. Small community need based projects in rural areas to promote local community development

5. Supporting the community

Our company may initiate and support community investment and educational programs. For example, it may begin partnerships with vendors for constructing public buildings. It can provide support to nonprofit organizations or movements to promote cultural and economic development of global and local communities.
