

## **Corporate Social Responsibility Policy of Savera Industries Ltd**

### **POLICY ON CORPORATE SOCIAL RESPONSIBILITY (CSR)**

(As amended in the meeting of the Board of Directors of the company held on 12.02.2021)\*

#### **OBJECTIVE**

The company's objective is to manage the business processes to produce an overall positive impact on our society and create wellness.

#### **VISION**

Taking corporate social responsibility ('CSR') as a strategic social investment, the company aims to integrate its resources with society's development needs for better future.

#### **MISSION**

To align the company's activities with its vision and undertake initiatives in the areas of (a) education and skill development (b) social and economic welfare, (c) environmental sustainability.

#### **\*GOAL**

For achieving the company's objective, vision and mission, the CSR activities are being undertaken by the company independently.

#### **MEANINGS**

**\*Company means Savera Industries Limited**

**\*Board means the Board of Directors of Savera Industries Limited**

**\*Corporate Social Responsibility (CSR) means** the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Companies Act, 2013 in accordance with the provisions contained in the Companies (Corporate Social Responsibility Policy ) Rules 2014 but shall not include the following viz.,

1. Activities undertaken in pursuance of normal course of business of the company.

2. Any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union Territory at national level or India at International level.
3. Contribution of any amount directly or indirectly to any political party under section 182 of the Companies Act, 2013.
4. Activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019.
5. Activities supported by the company on sponsorship basis for deriving marketing benefits for its products or services.
6. Activities carried out for fulfillment of any other statutory obligation under any law in force in India.

**\*CSR policy means** a statement containing the approach and direction given by the Board of the company, taking into account the recommendations of the company's CSR committee and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.

**\*CSR Committee means** the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.

**\*Administrative Overheads means** the expenses incurred by the company for general management and administration of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring and evaluation of a particular Corporate Social Responsibility project or programme.

**\*Ongoing Project** means a multi-year project undertaken by the Company in fulfillment of the company's CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.



**\*CSR Expenditure**

1. The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.
2. Any surplus arising out of CSR activities shall not form part of the business profit of the company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
3. Where the company spends an amount in excess of the requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that –
  - (i) The excess amount available for set off shall not include the surplus arising out of the CSR activities if any in pursuance of sub rule (2) of this rule.
  - (ii) The Board of the company shall pass a resolution to that effect.
4. The CSR amount may be spent by the company for creation or acquisition of a capital asset, which shall be held by –
  - (a) A company established under section 8 of the Act, or a Registered Public Trust or Registered Society having charitable objects and CSR registration number under sub-rule (2) of rule 4 of the Companies (Corporate Social Responsibility Policy ) Rules 2014.
  - (b) The beneficiaries of the said CSR project in the form of self-help groups, collectives, entities or
  - (c) A Public authority.

The company's activities are centred on education and skills development to the under privileged.

In addition, the company undertakes,

- **PROMOTING HEALTH CARE INCLUDING PREVENTIVE HEALTH CARE**
- **PROVIDING FOOD FOR DIFFERENTLY ABLED PERSON**
- **DISASTER RELIEF**
- **MEASURES FOR REDUCING INEQUALITIES FACED BY SOCIALLY & ECONOMICALLY BACKWARD GROUPS.**

Further, the following activities which were approved by the Board at its meeting held on 30.5.2018, will be carried out.

**Activities to ensure environmental sustainability such as creating awareness/adopting measures for banning the usage of plastics, and also contributing certain sum, goods and services for the maintenance of public parks.**

*"Besides, the company undertakes activities  
(The following 11 activities were amended by the Board of the company at its Board Meeting held on 14.8.2018)*

1. Relating to eradicating hunger, poverty and malnutrition (promoting health care including 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.
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and 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 centres 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 including contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga.
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 arts 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 Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes and other backward classes, minorities and women.
9. Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
10. Rural development projects.
11. Slum area development."

## **CSR ACTIVITIES BEING UNDERTAKEN**

The company is running this educational activity in the name of Savera Hotel Academy. (SHA).

In addition, the company undertakes

- GIVING COACHING, TRAINING RELATING TO THE HOSPITALITY & HOTELIERING TO THE STUDENTS WHO FAILED IN 10<sup>TH</sup>, 12<sup>TH</sup> STD., DISCONTINUED THE DIPLOMA COURSES, DISCONTINUED UNDERGRADUATES SEEKING KNOWLEDGE IN HOSPITALITY.(AGE LIMIT IS BETWEEN 17 TO 28).
- HELPING THE POOR & NEEDY PEOPLE FOR EDUCATION, IRRESPECTIVE OF THE COURSE.
- PROVIDES FOOD AND SNACKS TO THE STUDENTS IN SCHOOLS & INSTITUTIONS.
- ERADICATING THE HUNGER, POVERTY, MALNUTRITION.
- PROMOTING HEALTH CARE INCLUDING PREVENTIVE HEALTH CARE
- PROVIDING FOOD FOR DIFFERENTLY ABLED PERSON
- DISASTER RELIEF
- MEASURES FOR REDUCING INEQUALITIES FACED BY SOCIALLY & ECONOMICALLY BACKWARD GROUPS.

## **SPECIFICATION OF MODALITIES OF EXECUTIONS OF THE POLICY**

The committee will lay down the operational mechanism for this purpose.

**\*CSR IMPLEMENTATION:** The Board shall ensure that the CSR activities are undertaken by the company itself or through (a) a company established under section 8 of the Act or a registered public trust or a registered society, registered under section 12A and 80G 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 may engage international organizations for designing, monitoring and evaluation of the CSR projects or programmes as per the company's CSR policy as well as for capacity building of their own personnel for CSR.

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 respective companies are in a position to report separately on such projects or programmes in accordance with these rules.

The Board shall satisfy that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

In the case of ongoing project, the Board 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.

#### **\*ANNUAL ACTION PLAN**

The CSR Committee shall formulate and recommend to the Board an annual action plan in pursuance of the company's CSR policy, which shall include the following, namely:-



- a) The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act.
- b) The manner of execution of such projects or programmes as specified in sub-rule(1) of rule 4.
- c) The modalities of utilization of funds and implementation schedules for the projects or programmes.
- d) Monitoring and reporting mechanism for the projects or programs and
- e) Details of need and impact assessment, if any, for the projects undertaken by the company.

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

#### **\*DETERMINATION OF ALLOCABLE AMOUNT (Rs. in lakhs)**

Particulars	For FY 17-18	For FY 18-19	For FY 19-20
Net Profit as per section 198 of the Companies Act, 2013	775.30	924.12	610.23

Average Net Profit worked out to Rs. 769.88 lakhs

Prescribed CSR Expenditure to be spent during the year 2020-21 - 2% of the above amount is Rs. 15.40 lakhs. This will vary from year to year.

#### **MONITORING THE PROGRESS**

The Company's Corporate Social Responsibility committee would review mechanism for effective functioning.

#### **\*CSR REPORTING**

The Board's report of a company covered under these rules pertaining to any financial year shall include an annual report on CSR containing particulars specified in Annexure II as applicable.

**\*DISPLAY OF CSR ACTIVITIES ON THE COMPANY'S WEBSITE**

The Board of Directors shall mandatorily disclose the composition of CSR committee and CSR Policy and Projects approved by the Board on their website, if any, for public access.

**\* TRANSFER OF UNSPENT CSR AMOUNT**

Until a fund is specified in Schedule Vii for the purposes of sub-section (5) and (6) of section 135 of the Act, the unspent CSR amount, if any, shall be transferred by the company to any Fund included in Schedule VII of the Act

**COMMUNICATION**

The company's Board of directors, its management and all the employees have internalized our CSR philosophy of going beyond profit seeking.

The company stands committed to all the necessary resources required to meet the goals of CSR.

**AMENDMENT**

Amendments, if any, in the policy may be made periodically with the approval of the Board of Directors of the Company.