



## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

(As approved by the Board of Director at their meeting held on May 29, 2014)

## **Preamble**

Corporate Social Responsibility (CSR) is linked to sustainability. Such decisions are mainly based on the social and environmental consequences. It is the Company's intent to make a positive difference to society. Companies Act, 2013 ("Act") highlights the importance of Corporate Social Responsibility ("CSR") as a strategic tool for sustainable growth of people, the communities we operate in and the Company as a whole. Accordingly, the policy on Corporate Social Responsibility (CSR) has been framed by The Byke Hospitality Ltd ("the Company")

## **Definitions**

1. Corporate Social Responsibility (CSR) means and includes but is not limited to: Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013 ("Act").
2. CSR Committee means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.
3. CSR Policy relates to the activities to be undertaken by the Company as specified in Schedule VII to the Act and the expenditure thereon.
4. 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;
  - a) Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise and
  - b) 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 recalculated in accordance with the provisions of the Act.

## **Objective**

The Policy prescribes the broad framework to ensure that all the activities carried out by the Company towards sustainability and social responsibility are in the best interest of the company and guided by the principles of this policy.

## **Constitution & Term**

The Corporate Social Responsibility Committee ("Committee") was constituted by the Board of Directors at their meeting convened on May 29, 2014 in compliance with all applicable provisions of the Companies Act, 2013, particularly Section 135 read together with the applicable rules thereto. The Committee shall consist of three or more Directors, out of which at least one director shall be an independent director.

Should the Chairman be absent from a meeting, the members of the Committee present at the meeting shall choose one of the other members of the Committee, to chair that particular meeting. Membership of the Committee shall be disclosed in the Annual Report.

The Company Secretary of the Company shall act as Secretary of the Committee.  
The term of the Committee shall be continuous unless terminated by the Board.

## **Operation**

The Committee shall be operated in a manner consistent with the Company's Core Values, Corporate Governance Principles, Code of Conduct and the Company's By-laws. The duties and responsibilities of a member of the Committee shall be in addition to those duties set out for a Director of the Board.

## **Quorum**

The quorum necessary for transacting business at a meeting of the Committee shall be two members.

## **Meetings**

The Committee will normally meet at regular intervals and on need basis.

## **Scope/Functions/Terms of Reference**

This scope of work of the CSR Committee shall be as under:

- To identify areas where the CSR activities will be performed.
- To carry out evaluation of the CSR activities.
- To review the spending on the CSR activities.
- To give inputs to enhance the quality of the CSR activities.
- Develop new areas for CSR activities.

## **Authority**

The Committee shall have free access to management and management information. The Committee, may seek the advice of outside experts or consultants at the Company's expense where judged necessary, to discharge its duties and responsibilities.

## **Reporting**

The Committee shall report to the Board of Directors of the Company as and when the meeting is convened. Proceedings of all meetings will be minuted and signed by the Chairperson of the Committee.

## **Review**

The adequacy of this Policy shall be reviewed and reassessed by the Committee at such intervals as the Committee deems appropriate and recommendations, if any, shall be made to the Board for approval.

## **Disclosure of the Policy**

The CSR policy recommended by the CSR Committee and approved by the Board shall be displayed on the Company's website and shall be disclosed in the Board's report as well.

## **Miscellaneous**

This policy shall be updated from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made thereunder or any other applicable enactment for the time being in force.

The constitution of CSR Committee is dispense off for now as per the requirement of provision under Section 135(9) which says -

Where the amount to be spent by a company under sub-section (5) of 135 does not exceed fifty lakh rupees, the requirement under sub-section (1) of 135 for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, **be discharged by the Board of Directors of such company.**