



# **JAMES WARREN TEA LIMITED**

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

**This Corporate Social Responsibility (hereinafter referred to as 'CSR') Policy is framed in terms of the Companies Act, 2013 (hereinafter referred to as 'the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as 'the CSR Rules'), as amended from time to time**

### **PREFACE**

The Company since its inception has always taken initiative to provide best to the local communities where it has undertaken business operation. The Company is running schools for the underprivileged through various government schemes such as Anganwadi/ Sarvasiksha. The Company has its own lower primary schools which are run by our Tea Estate. The Company also provided facility of a school bus for ferrying children to and fro which is a great boon for them.

The Company has also provided facilities to educate our labour about issues such as good hygiene and preventing common diseases. Our executives and Medical team in each estate continually put in efforts to increase awareness amongst all employees.

The Company also has hospitals in each of its Tea Estates for the population living in and around the estate to cater to them prevention of illness or other health related issues in time. The medicines prescribed to the people are given absolutely free of cost. Rations are also provided to workers and staffs at a subsidized rate.

### **CSR POLICY**

The Company has undertaken Policy to direct its CSR Programmes towards achieving activities as prescribed in Schedule VII of the Act but not limited to the following –

**Community Development-** To take up and promote community development projects for socially and economically backward people and communities, including rural development and slump area development projects, in order to improve their living standard, education, culture, gender equality and other measures to reduce inequalities faced by them.

**Health** - To organise, equip and maintain hospitals, mobile medical centers, maternity homes, medical camps, etc., thereby rendering medical aid & legal aid and also promote preventive healthcare, proper sanitation facilities, etc.

**Training & Education** - To arrange and organize training, lectures, debates, discussions, seminars and excursions for the diffusion of knowledge, enhancement of vocational skills, publish or cause to be published literatures, papers, magazines and books which are useful and beneficial to the public and promote the cause of education by establishing and running schools, colleges and universities, libraries, reading rooms, study centers, introducing a radical change in the concept and quality of education and making it an effective instrument to revolutionize the society.

**Heritage, Art & Culture** – To protect national heritage, art and culture including restoration of buildings and sites of historical importance. To Construct, equip & maintain place of worship, cultural association for the promotion and development of religion, art, architectures, literature, painting, music, gymnasium, sports and other social service centers and preserve manuscripts, paintings, sculptures works of art, antiquities, natural history specimen, mechanical and scientific instruments and designs.

**Environment** – To ensure 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.

**Capital Assets** -The CSR amount may be spent for creation or acquisition of a capital asset, which shall be held by –

- 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; or
- beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
- a public authority:

**Other activities** - As permitted from time to time by the Government by its notification and approved by the Board on due recommendation of CSR Committee.

#### **CSR BUDGET**

- The corpus to be spent by the Company in every financial year on its CSR projects, programs or activities shall include at least 2% of the average net profits of the Company made during the three immediately preceding financial years calculated under the prescribed provisions of the Act.
- CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on Board approved CSR projects, programs or activities as may be recommended by its CSR Committee, but does 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 Act.
- Any income/surplus arising from the CSR Programmes will be used for CSR activities.
- Any income arising from CSR Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

#### **Unspent CSR Money / Excess expenditure:**

- If CSR expenditure in a financial year exceeds the statutory limit, such excess may be set-off against CSR expenditure within next three financial years with the approval of the Board, on the recommendation of the CSR Committee.
- In case the Company is not able to spend the money earmarked for CSR expenditure and any income/surplus arising out of the CSR activities, it shall transfer such fund as may be notified in Schedule VII in the following manner –

- where the unspent amount is related to an Ongoing Project, such unspent amount shall be transferred to the 'Unspent Corporate Social Responsibility Account' within a period of 30 days from the end of the financial year and the same shall be spent within a period of three financial years from the date of such transfer in the manner as prescribed in section 135(6) of the Act and the Rules, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.; and
- where the unspent amount is not related to an Ongoing Project, such unspent amount shall be transferred to a Fund as may be specified in Schedule VII, within a period of six months of the expiry of the financial year or such other time period as permissible under the Applicable Law.

### **IMPLEMENTATION MODALITIES**

The Company carries out its CSR Activities independently or through its trust viz. "**JAMES WARREN TEA FOUNDATION**" formed for this purpose, with its objects clearly defined in its trust deed, framed in line with Schedule VII of the Companies Act, 2013. The Company may also carry out its CSR Activities through any of the followings:

1. Any other registered trust or a registered society or a Company established by the Company itself or its holding or subsidiary or associate Company under section 8 of the Companies Act, 2013 or otherwise.
2. Any registered trust or a registered society or section 8 Company having a track record of three years in undertaking similar projects, programs or activities, if the same is not established by the Company itself or its holding or subsidiary or associate Company.
3. The Company should ensure foregoing Trust or Society is registered with Ministry of Corporate Affairs before making contribution on or after 1<sup>st</sup> April, 2021.
4. The Company may also collaborate with other Companies for undertaking CSR project or programs or activities.

### **GOVERNANCE AND REPORTING**

1. The Company shall specify the projects/programmes to be undertaken by such an organization, modalities for utilizing funds provided by it.
2. The Company shall establish a monitoring mechanism to ensure that the allocation is spent for the intended purpose only and shall periodically monitor and evaluate the performance of the Projects and the achievement of targets.
3. The CSR Committee shall periodically review and discuss the progress of each Project undertaken including spending thereon and make any decision including allocation/ reallocation of funds, with respect to the Project which it thinks fit.
4. The Board of the Company shall satisfy itself that the funds so disbursed have been utilised 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.

5. 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.
6. Every year, the CSR Committee will place for the approval of the Board of Directors of the Company, an annual CSR Action Plan (hereinafter referred to as 'CSR Plan') delineating the CSR Programmes to be carried out during the financial year, including the budgets thereof, their manner of execution, implementation schedules, modalities of utilisation of funds, and monitoring & reporting mechanism for the CSR Programmes. The Board will consider and approve the CSR Plan with such modification that may be deemed necessary; the CSR Plan may also be modified by the Board during the financial year, on the recommendation of the CSR Committee.
7. At the end of every financial year, the CSR Committee will consider an Annual Report on CSR activities as prescribed in the Companies Act, 2013 and recommend the same for the approval of the Board. The said Report will be disclosed as part of the Report of the Board of Directors.
8. The Company shall display the Composition of the CSR Committee & CSR Policy & Projects approved by the Board on its website.

The Corporate Social Responsibility (CSR) Committee and the Board of Directors are empowered to review this policy periodically and may amend or modify the Policy accordingly, from time to time.

*[This amended policy has been recommended by the Corporate Social Responsibility (CSR) Committee and approved by the Board of Directors at their respective meetings held on 11<sup>th</sup> February, 2021]*