



GUJARAT TEA PROCESSORS AND PACKERS LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Introduction

Gujarat Tea Processors and Packers Limited (the “Company”) has been actively involved in Corporate Social Responsibility initiatives, even before the same was statutorily mandated by the law. The Company strongly believes that as a responsible Corporate, it is its moral responsibility to give back to the “Society in which it carries out its business and consider this as a key factor for holistic business growth. The Company, in order to carry out its CSR activities in more focused manner has established “Wagh Bakri Foundation”, a Public Charitable Trust under Gujarat Public Trust Act, 1950.

The Board of Directors (the “Board”) of the “Company” has adopted this policy and procedures with regard to Corporate Social Responsibility. The Board may review and amend this policy from time to time subject to the recommendations of Corporate Social Responsibility Committee.

2. Background

The Company’s Corporate Social Responsibility (“CSR”) policy is framed in accordance with the notification issued by the Ministry of Corporate Affairs dated 27th February, 2014 under Section 135 of the Companies Act, 2013 (“the Act”).

3. CSR Vision & Thrust Areas

The Company’s CSR vision is governed by trust, fairness and care and shall be based on the below keystones:

- ◆ To actively initiate projects and/ or participate in projects to improve the life of people.
- ◆ To carry out CSR activities as specified in Schedule VII of the Act, with emphasise in the areas of:
 - Health Care;
 - Women Empowerment;
 - Promoting Education;
 - Environmental, Social and Economic Sustainability;
 - Eradicating Hunger;
 - Vocational skills/training;
 - Relief to poor and
 - General Public Utility.

- ◆ Company shall manage its operations using principles of Sustainable development to minimize impact on environment and protect health & safety of all stakeholders.

4. Guiding Principles for Selection of CSR Activities

- Any proposal received for contribution under CSR shall be discussed with the Management of the Company and Chairman of CSR Committee and thereafter will be placed before CSR Committee for necessary discussion, and recommendation to the Board for its approval.
- The activity proposed to be undertaken as CSR shall fall within the ambit of Schedule VII of the Companies Act, 2013, as may be amended from time to time.
- Activities undertaken shall be for the benefit of the Society at large.

5. Guiding Principles for Implementation of CSR Activities

The Company may decide to undertake its CSR activities recommended by the CSR Committee and approved by the Board, through:

- a) Wagh Bakri Foundation, a registered Public Charitable Trust established by the Company; or
- b) A company established under Section 8 of the Act or any other registered trust or a registered society, (having section 12A and Section 80 G registration under the Income Tax Act, 1961), established by the Company, either singly or alongwith any other Company; or
- c) A Company established under Section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- d) any entity established under an Act of Parliament or a State legislature; or
- e) a company established under section 8 of the Act, or a registered public trust or a registered society, (having Section 12A and Section 80G registration under the Income Tax Act, 1961), and having an established track record of at least three years in undertaking similar activities.

The Company may collaborate with other companies, if required, for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

The CSR Committee may engage external professionals/firms/agencies, if required, for the purpose of implementation of CSR Projects or delegate the power to such persons, as it may deem fit.

If at any time the mode of carrying out of CSR activities is amended in the law, the Company shall carry out its CSR activity as per the mode prescribed under the Act, from time to time.

6. Guiding Principles for Monitoring of CSR Activities

- a) Regular review by the CSR Committee of amount spent on each activity and achievements against milestones, to ensure a transparent monitoring process.
- b) Review of Progress Report from Implementation Agencies. Frequency for submission of progress report by Implementing Agencies, shall be atleast once in three months.
- c) Field Visit by company executive where CSR activity is carried out.

The monitoring and review mechanism shall be followed for the CSR initiatives, which shall ensure a top- down review and delivery.

The management shall in consultation and through the supervision of the CSR Committee consider projects with detailed programmes to be undertaken, proposed amount, timeline and a conformation that such projects are eligible under the Companies Act, 2013 and the rules made thereunder from time to time.

The Company will ensure that every program has:

- o Clearly defined objectives and
- o Detailed progress monitoring system.

The Company may also carry out the impact assessment of its CSR Projects/Programs, either internally on it's own or through the implementing agency or the Independent external agency or as may be prescribed in the Act, from time to time.

The CSR Committee shall be responsible for overseeing the planning, coordination and implementation of CSR activities and compliance of the same shall be reported to the Board and the same shall be reported to the stakeholders through the Company's Annual Report.

7. CSR Committee and its Role

The composition of CSR Committee is given in *Annexure-1* hereof. In case of any change in composition of CSR Committee in accordance with the Act, the Annexure-1 shall be updated and replaced with the new composition of CSR Committee and for such updation in this CSR Policy, no approval of Board and/or CSR Committee is required.

Role of CSR Committee shall include *inter-alia* the following:

- o Recommend, formulate and implement CSR activities approved by the Board and in compliance with Schedule VII of the Act.
- o Specify projects and programmes that are to be undertaken, list out the programmes which Company plans to undertake during any financial year and specify the modalities of execution of CSR activities.
- o Monitor and recommend the amount of CSR Expenditure to be incurred for CSR activities and to ensure it is in line with the CSR Policy.
- o The CSR Committee to ensure that the Company spends the minimum prescribed CSR amount, as provided in the Act, from time to time.
- o Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in the areas or

- subject specified in Schedule VII of the Act and to monitor the said CSR Policy of the Company from time to time.
- Any other activity as may be advised by the Board or as may be required by governing law or statute.
 - The CSR Committee shall formulate and recommend to the Board for its approval, Annual CSR Action Plan. During the financial year, the Annual CSR Action Plan may be revised/modified/amended by the Board, as per the recommendation of the CSR Committee, based on reasonable justification to that effect. The Annual CSR Action Plan for concerned financial year shall be given as per format prescribed in *Annexure- 2 of this Policy*.

8. CSR Expenditure

CSR expenditure shall include all expenditure as may be permitted under the applicable laws, but does not include any expenditure on an item not in conformity or not in line with activities, areas or subjects, as specified under Schedule VII of the Act.

Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profits 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 CSR Action Plan of the Company or transfer such surplus amount to a fund specified in Schedule VII.

An amount spent in excess of requirement specified in Section 135 (5) of the Companies Act, 2013, may be set-off against the requirement to spend under Section 135(5) of the Companies Act, 2013, upto immediately succeeding three financial years subject to conditions as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

An unspent CSR amount, if any, shall be dealt with in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

9. Reporting

The Board's Report of the Company shall include an annual report on CSR containing particulars specified in the annexure to the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

10. Disclosures

- The contents of the approved CSR Policy and any amendment thereto, from time to time shall be disclosed in the Board's Report and shall also be displayed on the Company's website.
- The Board shall ensure that the Composition of CSR Committee, CSR Policy and Annual CSR Action Plan for respective financial year is displayed on the Company's website.

11. Amendments to the Policy

Any statutory amendment relating to CSR shall become automatically applicable to this policy from the date it is notified. The Company is committed to continuously review and update policies and procedures related to CSR and if required, to amend this policy, from time to time, to effectively carry out CSR activities.

Annexure-1

COMPOSITION OF CSR COMMITTEE

The present composition of the CSR Committee consists of the following members of the Board.

Sr. No.	Name of Director	Designation
1	Shri Piyushbhai Ochhavlal Desai	Chairman
2	Shri Pankajkumar Ramdas Desai	Member
3	Shri Rasesh Ramdas Desai	Member
4	Shri Bhushan Chelaram Punani	Member
5	Shri Rajesh Chimanlal Shah	Member

All the members of CSR committee have rich and varied experience and are directly or indirectly involved in the CSR activities at different levels.

Annexure-2

ANNUAL CSR ACTION PLAN FOR THE FY _____

A. CSR Activity Plan

Sr. No.	Names of CSR Projects/Programmes	Activity under Schedule VII	Manner of Execution (Direct/Through Implementing Agency)	Allocated Budgets (INR in Lakhs)	Implementation Schedule	Modalities of Utilization of funds in FY _____	Details of need and Impact assessment, if applicable
1							
2							
3							
4							
5							

B. Monitoring and Reporting Mechanism