

Bengal Tea & Fabrics Limited

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CORPORATE SOCIAL RESPONSIBILITY POLICY

{Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended}

I. Introduction

Corporate Social Responsibility is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Bengal Tea & Fabrics Ltd. believes in practicing its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders and the community at large. Our Company has been voluntarily contributing to the society for welfare of the people.

Bengal Tea & Fabrics Ltd. has developed this Corporate Social Responsibility (CSR) Policy in consonance with the CSR Policy framework enshrined in the section-135 of Companies Act, 2013 (Act) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules) as amended from time to time. It shall apply to all CSR Projects / Programmes undertaken by Bengal Tea & Fabrics Ltd.

II. Definitions

In this code, unless the context otherwise requires:-

- A. "Act" means the Companies Act, 2013.
- B. "Company" means Bengal Tea & Fabrics Limited.
- C. "Committee" refers to Corporate Social Responsibility (CSR) Committee of the Company as referred to in Section 135 of the Act.

The words not defined hereinabove shall have the same meaning as defined under the Companies Act, 2013 and/or any modifications/substitution thereto. In case of any conflict between the contents of this document and the Applicable Law, the Applicable Law shall prevail over the contents of this document.

III. Scope

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its 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 utilisation of funds and implementation schedules for the projects or programmes;
- (d) monitoring and reporting mechanism for the projects or programmes; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the company: Provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

IV. CSR Activities that can be undertaken by the Company

Activities relating to:—

- (i) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- (ii) promotion of education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently-abled and livelihood enhancement projects;



- (iii) 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;
- (iv) 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;
- (v) 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;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents;
- (vii) training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- (viii) 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, other backward classes, minorities and women;
- (ix) contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- (x) rural development projects
- (xi) any other activity as permitted under Schedule VII of the Act.

The Company shall not carry out any CSR activities which is prohibited to undertake by virtue of Rule 2 (d) of the CSR Rules.

V. Implementation

The CSR Committee shall:

- a. formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:
 - i. the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;
 - ii. the manner of execution of such projects or programmes, whether by the Company itself, or through an implementing agency as specified in sub-rule (1),(3) and (4) of rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;
 - iii. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - iv. monitoring and reporting mechanism for the projects or programmes ; and
 - v. details of need and impact assessment, if any, for the projects undertaken by the company.
- Provided that the Board may alter the annual action plan at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.
- b. monitor the CSR Policy from time to time.

VI. Governance

- 1) Every year, the CSR Committee will place for the Board's approval, a CSR Plan delineating the CSR Programmes to be carried out during the financial year and the specified budgets thereof. The Board will consider and approve the CSR Plan with any modification that it may deem necessary.
- 2) The Committee shall review the implementation of the CSR Programmes periodically and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programmes in accordance with this Policy.
- 3) The agency to which the implementation is assigned will carry out such CSR Programmes as determined by the Committee within the specified budgets and timeframes and report back to the Committee on the progress thereon at such frequency as the Committee may direct.
- 4) The Board shall satisfy itself that the funds disbursed out of the Proposed CSR Expenditure have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer shall certify to the effect.
- 5) At the end of every financial year, the CSR Committee will submit its report to the Board which shall be included as a part of the Boards Report of the company.



VII. CSR Expenditure

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the approved CSR Plan, subject to limit as prescribed under CSR Amendment Rules, 2021. The board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year. Moreover, any surplus arising out of the CSR activities shall not form part of the business profit of a 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.

VIII. Excess CSR Expenditure

Where in any year, the company spends an amount in excess of requirement provided under section 135(5) of the Act, such excess amount shall be set off against the requirement to spend under section 135(5) of the Act up to immediate succeeding three financial years subject to the conditions that the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, and the Board of the company shall pass a resolution to that effect.

IX. Unspent CSR in any Financial Year

If the company fails to spend the CSR amount in any financial year, the Board shall, unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

X. Creation or Acquisition of Capital Asset:

The CSR Expenditure 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; or
- (b) beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
- (c) a public authority

XI. Ongoing Projects

The company may undertake multi-year project to fulfil its CSR obligation within three years excluding the financial year in which it is commenced. Such project shall also include activities that were initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification by the CSR Committee.

XII. CSR Reporting & Display on Website

The Boards Report of the Company will include an Annual Report on CSR as per the format specified under the Act and/or the Rule;

The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects (Including impact assessment, if any) approved by the Board on its website www.bengaltea.com for public access.

XIII. Amendment to the policy

In case of any subsequent changes in the provisions of the Act or the rules made thereunder or the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") or any other regulations which make any of the provisions of this Policy inconsistent with the Act or the Regulations, then the provisions of the Act or the Regulations would prevail over this Policy and the relevant provisions contained in this Policy would be modified accordingly in due course to make same consistent with applicable laws.

Adopted by the Board of Directors on 9.08.2014 and revised on 31.05.2021

