



KANCO TEA & INDUSTRIES LIMITED

(FORMERLY KNOWN AS DHANVARIDHI CONCERNS LIMITED)

Registered Office : "Jasmine Tower", 3rd Floor

31 Shakespeare Sarani, Kolkata - 700 017, India, Telefax : 2281-5217

E-mail : contact@kancotea.in, Website : www.kancotea.in

Corporate Identity Number (CIN)-LI5491WB1983PLC035793

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

BACKGROUND

The Companies Act, 2013 ('The Act') has made it mandatory for certain class of Companies to adopt a Corporate Social Responsibility Policy and spend every year an amount prescribed in the Act, towards discharging its obligation towards the society in terms of CSR policy adapted by it.

SHORT TITLE & APPLICABILITY

Kanco Tea & Industries Limited (KTIL) is conscious of its social responsibilities and the environment in which it operates. KTIL believes in methodology for development in the field of health, education, sanitation, culture and other welfare measures to improve the general standard of living in and around its tea estates with special focus on preserving the environment surrounding the tea estates of the Company. KTIL has all along voluntarily contributed to the community in various forms including monetary donations and aid given to non-profit organizations and registered charitable Trusts.

OBJECTIVE

The main objective of the CSR policy is to establish and lay down the basic principles and the general framework of action for KTIL to undertake and fulfill its corporate social responsibility. The policy will act as a built-in, self-regulating mechanism whereby KTIL will monitor and ensure its active compliance with the spirit of law, ethical standards and requisite norms.

CSR ACTIVITIES

KTIL's CSR activities shall primarily include one or more of the items covered under Schedule VII of the Act as detailed below: -

- (i) eradicating hunger, poverty and malnutrition, promoting health care including 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;





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- (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) slum area development

Preference shall be given to KTIL's business are and areas around KTIL's Tea Estates for spending the amount earmarked for CSR.

CSR EXPENDITURE

The Board of Directors shall ensure that KTIL spends at least 2% of the average net profits of KTIL made during the 3 immediately preceding financial years in pursuance of its CSR Policy subject to fulfillment of provisions of section 135 of the Companies Act,2013.

The CSR budget will be non-labsable in nature and any unspent/unutilized CSR allocation of a particular year, will be carried forward to the following year.

In this connection, it is declared that in the event any CSR Programme is directly implemented by the Company, then any surplus arising out of such CSR Programme will not form part of the business profits of the Company. Such surplus will be utilized for the purpose of CSR Programme and the amount of CSR expenditure (net of such income) will be considered as CSR expenditure.

IMPLEMENTATION OF CSR PROGRAMMES

The Board of directors may decide to undertake its CSR activities recommended by the CSR Committee through a registered trust established by KTIL provided that





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- a) If such trust is not established by KTIL or its subsidiary or associate company, it shall have established track record of three years in undertaking similar programs or objects;
- b) KTIL shall specify the project or programs to be undertaken through these entities, modalities of utilisation of funds on such projects and programs and the monitoring and reporting mechanism.

MANAGEMENT AND MONITORING MECHANISM OF CSR PROGRAMMES

(I) CSR Committee will propose CSR Programmes to be carried out during each financial year and the estimated amount thereof for approval of the Board of Directors ('Board') of the Company. The Board will consider and approve such programmes.

(II) CSR Committee will submit its report to the Board at the end of each financial year of the Company based on which Board shall include an annual report on CSR containing necessary particulars in a format provided under Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Any amendment to any of the clauses in the aforesaid policy shall be subject to the prior approval of the Committee and such amendment shall be informed to the Board of the Company.

6th August, 2014

Chairman

Corporate Social Responsibility Committee

