

**THE UNITED NILGIRI TEA ESTATES COMPANY LIMITED**  
**CORPORATE SOCIAL RESPONSIBILITY POLICY**

**PREAMBLE**

Corporate Social Responsibility (CSR) simply means the responsibility of the corporate that extends towards society. It extends to protecting not only the consumers, employees, shareholders, the government and the stakeholders but also towards the society and environment as a whole. CSR in essence lies in making profits in the most ethical way. It is a tool through which an organization reflects and pledges its commitment to support and participate in community building efforts.

The United Nilgiri Tea Estates Company Limited (UNITEA) has been in the forefront over the years by contributing to economic, environmental and social progress with a view to achieving sustainable development by conducting its business in a most ethical manner.

**PRINCIPLES OF SOCIAL RESPONSIBILITY**

The following principles emphasize the need for doing business in a fair manner promoting governance and ethics and constitute the basis for doing business in a responsible manner. Adhering to these principles would certainly constitute the social responsibility of a Company.

1. To conduct and govern business with ethics, transparency and accountability;
2. To provide goods and services that are safe and contribute to sustainability throughout their life cycle;
3. To promote the wellbeing of all employees;
4. To respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized;
5. To respect and promote human rights;

6. To respect, protect and make efforts to restore the environment;
7. To act in a responsible manner when engaged in influencing public and regulatory policy;
8. To support inclusive growth and equitable development;
9. To engage with and provide value to the customers and consumers in a responsible manner.

## **DEFINITIONS**

**“Act”** means the Companies Act, 2013

**“Rules”** means Companies (Corporate Social Responsibility Policy) Rules. 2014 as amended from time to time.

**“Corporate Social Responsible Committee” or “CSR Committee”** shall mean a committee of the Board referred to in Section 135 of the Companies Act, 2013.

**“Net Profit”** means the net profit of the company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following namely:-

- i. Any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
- ii. Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act.

**“Corporate Social Responsibility” or “CSR”** means the activities undertaken or intended to be taken up by the Company as laid down in Section 135 of the Act.

**“Ongoing Project”** means a multi-year project undertaken by the Company in fulfillment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.

### **CSR ACTIVITIES**

The CSR activity to be undertaken shall be one or more of the projects / programmes / activities specified under Schedule VII of the Act.

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water.
- (ii) Promoting 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, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water including Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga;
- (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 art and handicrafts;

- (vi) Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- (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 Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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) a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and  
b) Contributions to public funded universities, Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE), Department of Biotechnology (DBT), Department of Science and Technology (DST), Department of Pharmaceuticals, Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy (AYUSH), Ministry of Electronics and Information Technology and other bodies, namely Defence Research and Development Organisation (DRDO), Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- (x) Rural Development Projects and Tribal Welfare;
- (xi) Slum area development;
- (xii) Disaster management, including relief, rehabilitation and reconstruction activities;

#### **WHAT WOULD NOT CONSTITUTE CSR ACTIVITIES**

- a. Activities undertaken by the Company in the normal course of business
- b. Any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union Territory at national level or India at International level;
- c. Any contribution made directly or indirectly to any political party;
- d. Activities befitting employees of the company as defined in section 2 of the Code on Wages, 2019;
- e. Activities supported by the company on sponsorship basis for deriving marketing benefits for its products or services;
- f. Activities carried out in fulfillment of any other statutory obligations under any law in force in India.

#### **ACTION PLAN**

The CSR Committee shall formulate and recommend to the Board of Directors, an annual action plan in pursuance of this 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 the projects or programmes as specified in sub-rule (1) of rule 4;
- c. The modalities of utilization 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.

The Board may alter such plan at any time during the financial year as per the recommendation of the CSR Committee based on the reasonable justification to that effect.

#### **AMOUNT TO BE SPENT ON CSR ACTIVITIES**

The Board of Directors should ensure that the Company spends in every financial year, at least two percent of the 'average net profits' of the company made during the three immediately preceding financial years. However, if in any financial year, for any reason, the company is unable to spend amount as stated above, the Committee shall provide suitable explanation stating the reasons therefor to the Board of Directors and the Board shall include the same in the Directors' Report.

Further, the Company shall transfer such unspent amount (unless the unspent amount relates to an ongoing project) pertaining to that financial year to a fund as specified in Scheduled VII of the Act within the specified period.

Any amount which is remaining unspent pursuant to any ongoing project shall be transferred by the Company within a period of 30 days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account and such amount shall be spent by the company within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Scheduled VII, within a period of 30 days from the date of completion of the third financial year.

Any surplus arising out of CSR activities shall not form part of the business profit 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 this 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.

Amount spent by the Company in excess of the statutory requirement of the Act, such excess amount may be set off against the requirement to spend under the Act up to immediate succeeding three financial years subject to the following conditions:

- a. The excess amount available for set off shall not include the surplus arising out of the CSR activities as mentioned above.
- b. The Board of Directors shall pass a resolution to that effect.

The CSR amount may be spent by the Company for creation or acquisition of a capital asset which shall be held by –

- i. A company established under Section 8 of the Act or a Registered Public Trust or Registered Society having charitable objects and “CSR Registration Number”.
- ii. Beneficiaries of the said CSR project in the form of self-help groups, collectives, entities or
- iii. A Public Authority as defined under Rule 2 (j) of the Rules.

#### **AREAS IN WHICH CSR ACTIVITIES CAN BE UNDERTAKEN**

The Company may undertake CSR activities in the local area and areas around it where the Company’s operations are being carried out.

#### **CSR BUDGET**

Every year the Company has to prepare CSR expenditure budget and submit the same to the CSR Committee. The budget shall contain details as mentioned under Annual Action Plan. After deliberations, the CSR Committee may recommend the budget with or without modification to the Board of Directors for its approval at the first meeting to be held in each financial year.

#### **CSR IMPLEMENTATION**

The Board of Directors shall ensure that CSR activities are undertaken by the Company itself or by contributing to the following Implementing Agencies as may be recommended by the CSR Committee and approved by the Board:

- a. A company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, established by the Company, either singly or along with any other company; or

- b. 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
- c. Any entity established under an Act of Parliament or a State legislature; or
- d. A company established under section 8 of the Act, or a registered society or registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

Where contributions are made to an implementing agency, the Company shall ensure that the implementing agency has a valid “CSR Registration Number”.

The Company may also collaborate with other companies 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 each projects or programmes in accordance with these rules.

The Board shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner approved by it and the Chief Financial Officer shall certify to the effect.

In case of ongoing project, the Board shall monitor the implementation of the project with reference to the approved timeliness and year-wise allocation.

#### **CSR REPORTING**

1. The Company shall submit to the CSR Committee the details of projects/programmes/activities undertaken periodically at reasonable intervals.
2. The CSR Committee shall forward a report on CSR activities of the Company to the Board of Directors once in a year.



3. The Board's Report shall include an annual report on CSR activities in the prescribed format.

**DISPLAY OF CSR ACTIVITIES ON THE WEBSITE**

The Board of Directors of the Company shall mandatorily disclose the following on the website of the Company:

- a. Contents of the CSR Policy.
- b. Composition of the CSR Committee.
- c. Projects approved by the Board.
- d. Annual Report of the Board on CSR activities of the Company in the prescribed format.

**POLICY REVIEW**

The Board of Directors will review the Policy from time to time based on changing requirements in line with the changes, amendments and modifications if any in the Companies Act, 2013 and the Rules made thereunder.

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### COMPOSITION OF CSR COMMITTEE

<b>Name of Director</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Ms.Mallika Srinivasan	Chairman	Non-Executive Non-Independent Director
Mr.SankarDatta	Member	Non-Executive Independent Director
Mt.T.G.B.Pinto	Member	Whole-time Director

Mr.R.V.Sridharan, Company Secretary is the Secretary of the Committee.

**THE UNITED NILGIRI TEA ESTATES COMPANY LIMITED**

**Annual Action Plan for CSR activities to be undertaken for the period from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022**

Sl No.	List of CSR Projects	Section in which the project/ activity is covered under Schedule VII	Location of the project/program undertaken	Outlay (Budget) per project or per program (inRs.)	Mode of implementation either direct or through implementing agency	Modalities of fund utilization	Implementation Schedule	Monitoring Mechanism	Details of need and impact assessment
1	Orphanage	Item No.(iii)	Chamraj Estate, The Nilgiris District, Tamil Nadu	17,00,000	Direct	In kind/ materials support	April 2021 to March 2022	On site monitoring by UNITEA deployed resources	Supporting the orphanage and promoting education and health care of children.  Impact assessment not applicable.
2	Rural Development and Tribal Welfare	Item No. (x)	The Nilgiris, Tamil Nadu	8,00,000	Through United Nilgiris Conservation Society (UNCS)	Direct Cash support	April 2021 to March 2022	On site monitoring by UNITEA deployed resources	Supporting the public medical scheme administered by the Company in the area of rural development and tribal welfare and to achieve better standard of life through community development work..  Impact assessment not applicable
Total amount to be spent during the period from 1 <sup>st</sup> April ,2021 to 31 <sup>st</sup> March, 2022				25,00,000					

### CSR PROJECTS APPROVED BY THE BOARD FOR THE FINANCIAL YEAR 2021-22

The following projects have been approved by the Board of Directors at its meeting held on 10<sup>th</sup> June, 2021.

Name of the Project	Item from the list of activities in Schedule VII	Location	Project duration	Amount allocated (Rs)	Mode of implementation
Orphanage	Item No.(iii)	Chamraj Estate, The Nilgiris District, Tamil Nadu	One Year	17,00,000	Direct
Rural Development and Tribal Welfare	Item No.(X)	The Nilgiris, Tamil Nadu	One Year	8,00,000	United NilgirisConservation Society
<b>TOTAL</b>				<b>25,00,000</b>	