# MADHUTING TEA PRIVATE LIMITED

## Corporate Social Responsibility (CSR) Policy

(As approved by the Board of Directors in its meeting dated 11th December 2025)

## I. <u>Introduction:</u>

The Company's Corporate Social Responsibility Policy ("the Policy") aims to make a positive contribution to society by improving the quality of life of its employees and the community in general; to decrease the Company's impact on the environment and seek the sustainable development of its business.

The Companies Act, 2013 (**the "Act"**) requires that every Company having net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 Crore or more or a net profit of Rs. 5 Crore or more during any financial year, shall ensure that the Company spends, in every financial year, at least 2% (two per cent) of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

The said Act also requires the formation of a CSR Committee who in turn will formulate and recommend to the Board, a Corporate Social Responsibility Policy. If the amount required to be spent by a company on CSR does not exceed Rupees Fifty Lakh, the requirement for constitution of the CSR Committee is not mandatory and the functions of the CSR Committee, in such cases, shall be discharged by the Board of Directors of the Company.

**The Company's CSR spending does not exceed rupees fifty lakh rupees, Hence the requirement to constitute CSR Committee is not applicable and thus the duties & functions shall be discharged by the Board of Directors of the Company.**

Accordingly the CSR policy of the Company is laid down as below:

## II. <u>Activities to be undertaken by the Company as specified in Schedule VII</u>:

In terms of the Act the Company can undertake activities as mentioned under Schedule VII of the Companies Act, 2013 in connection with the CSR activities.

The list of some activities as mentioned under Schedule VII of the Companies Act, 2013 inter alia includes the following:

i) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects

ii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups

iii) Eradicating hunger, poverty and malnutrition, and sanitation and making available safe drinking water

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 art and handicrafts;

vi) Measures for the benefit of armed forces veterans, war widows and their dependents, 9[ Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows];

vii) Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports

viii) Contribution to the prime minister's national relief fund 8[or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, 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 Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense 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 project

xi) Slum area development.

xii) Disaster management, including relief, rehabilitation and reconstruction activities.

xiii) Subscription to zero coupon zero principal instruments on Social Stock Exchange.

III. **Specification of modalities of execution of the policy:**

The Company aims at carrying out various CSR activities either directly or through **World Renewal Spiritual Trust (WRST)** or through any other Implementing agency as the Board decides.

IV. **CSR Expenditure:**

The provisions of the Companies Act, 2013 read with rules made thereunder, mandate companies meeting the qualification criteria to allocate certain portion of its annual net profits during the three immediately preceding financial years to be spent on CSR activities shall fall under the purview of Schedule VII of the Companies Act, 2013.

The CSR expenditure shall be approved by the Board of Directors. In case the Company fails to spend the projected amount on CSR activities, the reasons of such failure shall be reported by the Board of Directors of the Company in its report under Section 134 of Companies Act, 2013. In case the Company spends any amount over and above such 2% of average net profits, the same can be considered as excess CSR expenditure which can be set-off in the immediate succeeding three financial years subject to the conditions as prescribed under the Act.

V. **<u>Determination of the CSR amount:</u>**

The amount determined for allocation towards CSR activities in any one Financial Year (say X) to be placed at the meeting of the Board of Directors to be held in each Financial Year giving the computation details as per below format:

| **Particulars** | **Years** | | |
|---|---|---|---|
| Net profit as per CSR Rules, 2014 - Rule 2(1)(h) **(I)** | For P.Y. (X - 3) | For P.Y. (X - 2) | For P.Y. (X – 1) |
| Less: Adjustments as per Sec.198(2) of the Companies Act, 2013 **(II)** | | | |
| Adjusted Net profit **(I – II)** | **A** | **B** | **C** |
| | | | |
| Average Adjusted Net profit : **(A+B+C)/3** | | | |
| Allocable Amount: 2% * Average Adjusted Net profit | | | |

A report comprising of the following information to be placed before the Board:

a) Total amount proposed to be spent towards CSR activities,
b) Amount allocated for each of the activities,
c) Time target for each of the activities, and
d) Amount actually spent for each of the activities.

The details of spending to be placed before the Board whenever required in the following format:

| **Activity** | **Amount allocated** | **Spent till date** | **Balance** | **Remarks** |
|---|---|---|---|---|
| | | | | |
| | | | | |

VI. **<u>CSR Annual Action Plan:</u>**

The Board of Directors shall formulate and approve a CSR annual action plan every year, 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 and any other matters as the Board of Directors may deem fit from time to time. The Board may modify the annual action plan at any time during the financial year, based on reasonable justification.

VII. **Selection:**

The Company will receive requests for funding of projects throughout the financial year. The Board of Directors will deliberate on the proposals and approve proposals for implementation at its discretion. The Company will collaborate with stakeholders to monitor the status of each project to meet their reporting, monitoring and other legal obligations.

VIII. **Implementation And Monitoring:**

The CSR activities, undertaken by the Company either directly or through World Renewal Spiritual Trust (WRST) or through any other implementing agency, shall be periodically monitored. While monitoring, the Company shall ensure the Implementing Agency or the vendor, follow ethical practices and endeavour to ensure all payments made to the Implementing Agency or the vendor to be milestone based and it should meet the statutory eligibility criteria laid down under the Companies Act, 2013.

The funds to be disbursed shall be utilized for the purposes and in the manner as approved by the Board. The person responsible for financial management shall issue a certificate to the Board every year certifying that the funds disbursed are utilised for the purpose and in the manner as approved by the Board.

IX. **Reporting:**

At the end of every financial year, the Board of Directors will consider an Annual Report on CSR activities.
If the company fails to spend the estimated amount on CSR Projects in a financial year, the Board shall, in its Board's report, specify the reasons for not spending the amount and, 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. **Communication:**

As per CSR Rules, the CSR Policy and CSR Projects shall be displayed on the Company's website.

XI. **General:**

All provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines as may be issued from the Government from time to time. The policy may be amended subject to approval of the Board.