

THE BOMBAY BURMAH TRADING CORPORATION LIMITED (BBTCL)
CORPORATE SOCIAL RESPONSIBILITY, (CSR) POLICY

I. **BACKGROUND**

Corporate Social Responsibility (CSR) embodies the various initiatives and programs of the Wadia Group in the communities and environment in which Group Companies operate as also rural development activities including social obligations under the Plantation laws applicable to the BBTCL's Plantation activities. It represents the continuing commitment and actions of the Group to contribute towards economic and social development and growth.

II. **OBJECTIVE**

The CSR Policy of The Bombay Burmah Trading Corporation, Limited (the Corporation) is being formulated and adopted in terms of Section 135 of the Companies Act, 2013 and the Rules made thereunder. The Corporation will undertake CSR activities specified in Schedule VII to the Companies Act, 2013 read with Corporate Social Responsibility Rules, 2014.

III. **CONSTITUTION OF CSR COMMITTEE**

The Board of Directors of the Corporation has constituted a CSR Committee of Directors comprising of three directors out of which two are Independent Directors.

IV. **ROLE OF CSR COMMITTEE**

The CSR Committee will play the following role in fulfilling the Corporation's CSR objectives:

- Recommendation of the Project / Program to be undertaken within the long term vision and strategy of Wadia Group in respect of CSR activities, amount of expenditure to be incurred, type of activities, roles and responsibilities of various stakeholders, etc.
- Recommendation of rural development activities/ projects undertaken or to be undertaken by the Corporation in rural areas in which the Plantations division of the Corporation operates;
- Formulation of a monitoring mechanism for ensuring implementation of the Project / Program undertaken or the end use of the amount spent by it towards CSR activities.

The contribution will be made for any activities undertaken within India. The Committee will give preference to the local area and areas around it where it operates in spending the amount earmarked for CSR activities.

Surplus arising out of the CSR activities will be utilized for the benefit of the community.

V. **ROLE OF BOARD OF DIRECTORS**

The role of the Board with respect to CSR is as under:

- Review the recommendations in respect of annual budget for CSR;

- Disclose contents of the Policy in the Corporation's report/website; and
- Ensure that the Corporation spends in every financial year, at least two percent of the average net profits made during the three immediately preceding financial years of the Corporation on CSR activities.

VI. DISBURSEMENT OF CSR AMOUNT

The Corporation may undertake CSR activities, on its own or by pooling the resources into Sir Ness Wadia Foundation or other not-for-profit organisations (NGOs) or a combination thereof.

The CSR Committee will decide on the budget allocation for CSR Projects and Programs and the installments for disbursement of amount.

VII. PARTNERING ORGANISATIONS

While undertaking any project or program with other partnering organizations, the Corporation will undertake due diligence to evaluate the NGO's reputation, track record, capacity and competency, including organization structure, requisite permits and licenses, presence in desired geography and compatibility with the Group CSR Policy.

VIII. PROCESS FOR UNDERTAKING CSR ACTIVITIES/PROJECTS THROUGH PARTNERING NGOS.

The following procedure will be adhered to while undertaking/ funding CSR activities/ projects through NGOs:

- Presentation of Project/Program details.
- Execution of Memorandum of Understanding (MoU) with the Partnering NGOs, which will detail the key roles and responsibilities of each of the parties for a specified project or projects identified by the Wadia Group / the Corporation.
- Scheduling of disbursements of funds relating to the program and monitoring system in accordance with pre-agreed milestones with partners.
- The Committee whilst making any contribution will specify the activities for which it is made and the amount for the same.

IX. MONITORING

CSR Committee will institute a transparent monitoring mechanism for implementation of CSR Projects or Programs undertaken by the Corporation or through NGOs.

X. VOLUNTEERING

The Corporation will encourage and enable employees and other stakeholders to participate in the projects supported by it through Employee Volunteering Programmes (EVP).

The Corporation will recognize the efforts put in by employees in CSR activities through annual appraisal system. The Head HR will play a specific role in building capacities, skills and talents under the concept of the Corporation's broader vision on CSR.

XI. SELF ASSESSMENT

The Corporation will introduce mechanism for self-assessment of CSR activities pursued by it and strive to improve existing policy and systems. It will also undertake impact assessment of the development projects on the target group.

XII. DISSEMINATION OF INFORMATION

The CSR Committee will report to the Board of the Corporation from time to time the status of the CSR projects/ activities undertaken by it along with the report on the impact created by such projects/ activities.

The Corporation would upload this Policy on its website www.bbtcl.com. A detailed status report on the CSR activities carried out by the Corporation will be disclosed every year as part of the Directors' Report in the Annual Report. The said information will also be uploaded on the website of the Corporation.

The CSR activities of the Corporation should be visible through newsletters, websites, press releases and Directors' Annual Report (as an integral part of business) articulated on major occasions and employee / shareholder / dealer meetings.
