

ANNUAL REPORT ON CSR ACTIVITIES FOR 2019-20

1. Brief outline of the Company's CSR Policy:

- (A) Company has formulated a CSR and Sustainable Development Policy in line with the Companies Act, 2013 which has been recommended by duly constituted CSR Committee of the Board and approved by the Board. The policy is available at Company's website www.mstcindia.co.in. The policy has been revised in 2018 which has been duly approved by the Board in its 280th meeting held on 05.04.2018.
- (B) The vision of the Policy is blending responsible business with inclusive growth and Sustainable Development for protecting environment, conserving resources and improving human health and education.
- (C) Board shall constitute a CSR Committee with an Independent Director as Chairman. Nodal officers shall implement the decisions taken by the Committee. Company Secretary shall be secretary to the Committee.
- (D) The Committee shall recommend budget, the projects to be taken up, and the method of implementation. The Committee and the Board shall ensure that at least 2% of the average Profit Before Tax (PBT) of preceding 3 years is the budget for the current year.
- (E) Activities shall include all activities covered under Annexure to the CSR Policy of the Company which includes inter alia, items as provided under Schedule VII of the Companies Act, 2013 and DPE guidelines. Additionally, any Govt. guidelines/ instructions shall be considered by the Committee/Board.
- (F) MSTC shall also encourage collaborative projects with other PSUs, Govt. agencies, NGOs, if required, on the basis of merit of the project.

2. Composition of the CSR Committee:

Pursuant to section 135 of the Companies Act, 2013 and Department of Public Enterprises (DPE) guidelines, a Board level CSR committee was constituted. As on 31st March 2020 the members of the Committee are as follows:-

- 1. Dr. T. V. Muralivallabhan, Chairman of CSR Committee
- 2. Dr. Promodita Sathish, Member
- 3. Dr. R. S. Yeli, Member and
- 4. Shri Subrata Sarkar, Member

This committee oversees the CSR activities of the Company as per Company's CSR policy. Designated officers of the Company implement the decisions taken by the Committee.

3. Average Profit Before Tax (PBT) of the Company for last three Financial Years (2016-17, 2017-18, 2018-19):

Rs. (203.36) Crore.

4. Prescribed CSR expenditure budget for FY 2019-20 (two percent of the above amount):

Since, Company has incurred losses in the financial year company 2018-19 and further as the Average Profit Before Tax is Rs. (203.36) crore, it was decided by the CSR and Board that during the financial year 2019-20 there will not be any budget for CSR expenditure.

The Committee and Board further decided that the projects which were not completed in the financial year 2018-19 will be reviewed by the CSR Committee and based on the review of the CSR committee and approval of the Board fund may be released to eligible project on case to case basis.

Details of CSR expenditure during the Financial Year 2019-20:

- (a) Total amount spent for the financial year: Rs. 54.00 lac
- (b) Amount unspent, if any : Nil
- (c) Manner in which the amount spent during the financial year is detailed below: Contribution in Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) for Covid 19.